



BBEY • ABBOTSFORD • ADELAIDE • AJAX • ALDERGROVE • ALEXANDRIA • ALICE TOWN • ALIX • ALMA • ALMONT
PSLEY • ARCOLA • ARGENTIA • ARICHAT • ARIMA • ARNPRIOR • ARTHUR • ARVIDA • ATIKOKAN
ALA • BALCARRES • BALDUR • BARONS • BARRANQUILLA • BARRIE • BARRINGTON PASSAGE • BASHAW
AUSEJOUR • BEDFORD • BEETON • BEIRUT • BEISEKER • BELIZE CITY • BELLEVILLE • BELLEVUE
NSCARTH • BIRTLE • BLACKIE • BLACK LAKE • BLACK ROCK • BLACKSTOCK • BLAIRMORE • BLIND RIVER
RANTFORD • BRENTWOOD BAY • BRIDGETOWN • BRIDGEWATER • BRITANNIA BEACH • BROCKVILLE • BROOKS
URLINGTON • BURNABY • BURNS LAKE • CABRI • CACHE CREEK • CADILLAC • CALEDON • CALGARY • CAL
AP-DE-LA-MADELEINE • CARACAS • CARDSTON • CARGILL • CARLETON PLACE • CARLYLE • CARROT RIVER
HARLOTTETOWN • CHASE • CHATHAM • CHÂTEAUGUAY • CHELMSFORD • CHÉTICAMP • CHIBOUGAMAU
ARKSON • CLEARBROOK • CLEARWATER • CLIFFORD • CLIMAX • CLINTON • CLOVERDALE • COATICOOK
OOKSTOWN • COQUITLAM • CORNER BROOK • CORNWALL • CORNWALLIS • CORUNNA • COURTENAY
JIDAD BOLIVAR • CUMBERLAND • CUPAR • CUT KNIFE • DALHOUSIE • DALHOUSIE STATION • DALLAS • DANA
OLBEAU • DOLLARD-DES-ORMEAUX • DORCHESTER • DORVAL • DRAYTON • DRAYTON VALLEY
UNNVILLE • DURHAM • DUTTON • EAST KILDONAN • EATONIA • EDMONTON • EDMUNDSTON • ELKFORD
SPANOLA • ESQUIMALT • ESTERHAZY • ESTEVAN • ETHELBERT • EVANSBURG • EYEBROW • FAIRVIEW
RD DE FRANCE • FORT ÉRIÉ • FORT FRANCES • FORT GARRY • FORT LANGLEY • FORT McMURRAY
REDERICTON JUNCTION • FREEPORT • FROBISHER BAY • GAGNON • GALT • GANDER • GEORGE TOWN
OOSE AIRPORT • GOVAN • GRANBY • GRANDE PRAIRIE • GRAND FALLS • GRAND VALLEY • GRAVENHURST
ALIFAX • HALKIRK • HAMILTON • HAMIOTA • HANLEY • HANMER • HANNA • HANOVER
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IRKLAND LAKE • KITCHENER • KITIMAT • KITSAULT • KLEINBURG • LAC DU BONNET • LACHINE • LACOMB
ASALLE • LA TUQUE • LAVAL • LAWRENCETOWN • LEAMINGTON • LEASK • LEDUC • LEMBERG • LENNOXVILL
LOYDMINSTER • LOCKEPORT • LONDON • LONDRES • LONGUEUIL • LOS ANGELES • LOUISBOURG • LUMSDE
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MOOSOMIN • MORDEN • MORIN HEIGHTS • MORINVILLE • MORSE • MOUNT BRYDGES • MOUNT ROYA
APANEE • NASSAU • NAVAN • NELSON • NEUDORF • NEUSTADT • NEW AMSTERDAM • NEWBORO • NEWBUR
EW RICHMOND • NEW WATERFORD • NEW WESTMINSTER • NEW YORK • NIAGARA FALLS • NIPAWI
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UTREMONT • OWEN SOUND • OXBOW • PAISLEY • PAKENHAM • PARIS • PARKSVILLE • PARRSBOR
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PORT HOPE • PORT LAMBTON • PORT MOODY • PORT OF SPAIN • PORT PERRY • PORTER'S LAKE • PORTLAN
UERTO ORDAZ • PUERTO PLATA • QU'APPELLE • QUÉBEC • QUESNEL • RAPID CITY • RAWDON • RAYMOR
RICHMOND HILL • RIDGETOWN • RIDGEWAY • RIMOUSKI • RIO DE JANEIRO • RIPLEY • RIVERS • RIVIÈRE CASSÉ
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ST-RÉMI • STE-ROSE-DU-LAC • ST-SAUVEUR-DES-MONTS • ST. STEPHEN • STE-THÉRÈSE • ST. THOMAS • ST-VITA
SAN PEDRO DE MACORIS • SANTIAGO DE LOS CABALLEROS • SANTO DOMINGO • SANTOS • SANTURC
ECHOLT • SELKIRK • SEPT-ÎLES • SEXSMITH • SHARBOT LAKE • SHAUNAVON • SHAWINIGA
SIDNEY • SIMCOE • SIOUX NARROWS • SLAVE LAKE • SMITHERS • SMITHS FALLS • SMITHVILL
SPARWOOD • SPEIGHTSTOWN • SPENCERVILLE • SPIRIT RIVER • SPRINGFIELD • SPRINGLAND
STEPHENVILLE • STETTLER • STEVESTON • STEWIAKE • STITTSVILLE • STONEY CREEK • STRASBOUR
SUNDRIDGE • SURREY • SUSSEX • SWAN HILLS • SWAN RIVER • SWIFT CURRENT • SYDENHA
THOROLD • THREE HILLS • THUNDER BAY • TILLSONBURG • TIMMINS • TISDALE • TOKYO • TOLED
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WALLACEBURG • WALTON • WAPELLA • WARKWORTH • WASAGAMING • WASKADA • WATERDOW
WESTMOUNT • WEST PUBNICO • WEST VANCOUVER • WESTVILLE • WETASKIWIN • WEYBUR
WARTON • WILKIE • WILLIAMS LAKE • WINCHESTER • WINDSOR • WINDTHORST • WINNIPEG

Cover: Branches and offices of the Royal Bank of Canada and its affiliates serve people in these 776 cities, towns and villages in various parts of the world.

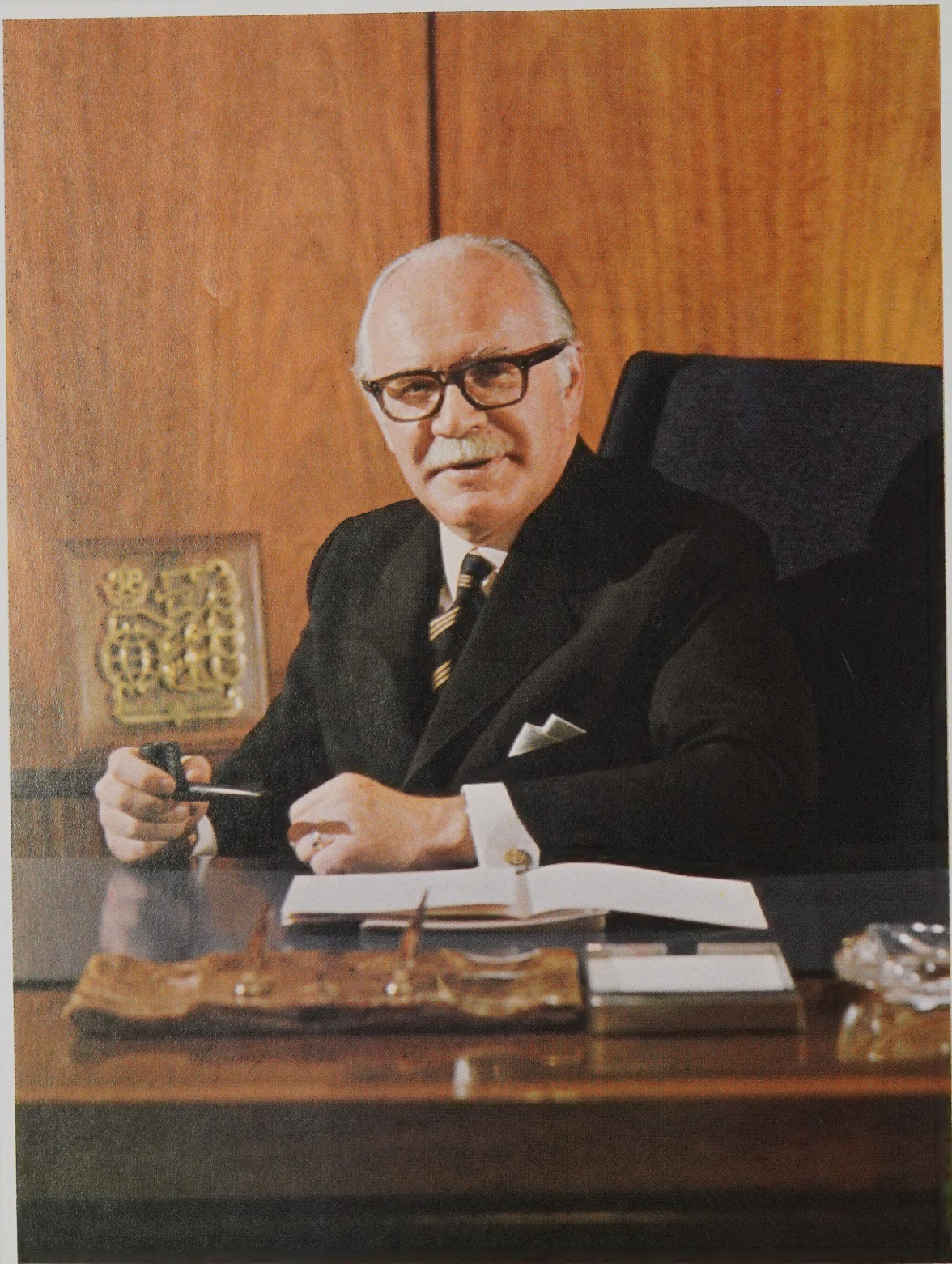
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CAMPBELLFORD • CAMPBELL RIVER • CAMPBELLTON • CAMROSE • CANDIAC • CANTERBURY
CARTAGENA • CASSIAR • CASTRIES • CHAMBLY • CHANDLER • CHAPLEAU • CHAPLIN • CHARLESBOUR
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FORT COQUITLAM • PORT D'ESPAGNE • PORT DOVER • PORT HARDY • PORT HAWKESBURY • PORT HOC
OWELL RIVER • PRESCOTT • PRESTON • PRINCE ALBERT • PRINCE GEORGE • PRINCE RUPERT • PUERTO LA CRU
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OBERVAL • ROBLIN • ROCK ISLAND • ROCKWOOD • RODNEY • ROLAND • ROSEAU • ROSE HALL • ROSEMÈ
TE-AGATHE-DES-MONTS • ST-BONIFACE • ST-BRUNO • ST. CATHARINES • ST-FÉLICIEN • STE-FOY • ST. GEORGE
T. JOHN'S • ST-LAMBERT • ST-LAURENT • ST-LÉONARD • ST. MARY'S • ST-PAUL-L'ERMITE • ST. PETER
ACKVILLE • SALMON ARM • SAN FERNANDO • SAN FRANCISCO DE MACORIS • SAN IGNACIO • SAN JUA
AO PAOLO • SARNIA • SASKATOON • SAUBLE BEACH • SAULT STE MARIE • SCARBOROUGH • SCOTLAN
HAWINIGAN LAKE • SHAWVILLE • SHELBURNE • SHERBROOKE • SHILO • SHOAL LAKE • SHUBENACAD
MOOTH ROCK FALLS • SNOW LAKE • SOMERSET • SOREL • SOURIS • SOUTHEY • SOUTH RIVER • SPANISH WEL
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Highlights of the year

For the year ended October 31st	1971	1970	Increase (Decrease)	
Balance of revenue	\$ 140,382,052	\$ 144,280,343	(2.7%)	
Net profit, after income taxes	\$ 44,052,052	\$ 44,620,343	(1.3%)	
Per share	\$ 1.32	\$ 1.34	(1.3%)	
Dividends	\$ 29,272,320	\$ 28,607,040	2.3%	
Per share	88¢	86¢	2.3%	
At October 31st				
Assets	\$12,953,578,098	\$11,368,623,053	13.9%	
Deposits	\$11,772,301,195	\$10,303,211,520	14.3%	
Loans	\$ 6,973,913,913	\$ 6,166,013,416	13.1%	



Message to Shareholders

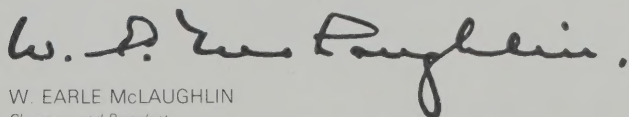
Financial performance and growth in size continue to be the main measures of business progress. Yet they alone cannot adequately indicate the success and performance of an enterprise. Such important factors as value to the community of the services provided and the degree of satisfaction gained on both sides of the counter must also be taken into account.

These intangibles can seldom be measured; but today they are more significant to business progress than ever before. Throughout the world there are strong forces towards "compartmentalization" with the result that the challenge of meeting the social and economic needs of any given area — be it national, regional, or local — is given new dimensions. At the same time, there is growing concern for the needs and aspirations of individuals and families. This places a premium on the human resources of any enterprise engaged, as we are, in providing services rather than tangible products.

The changing shape of the Royal's operations at home and abroad as outlined in this Report demonstrates, I hope, our desire to progress not only in measurable terms, but also in ways which are responsive to the increasingly complex requirements of our personal and corporate customers everywhere, and to needs of the many communities we serve.

The financial statements in this Report, along with the Chief General Manager's account of the year's operations, show the results of our efforts during fiscal 1971 in terms which can be expressed in numbers. In addition, Mr. Finlayson's report indicates some of the ways in which we are preparing to meet the challenges of the future. As to the broader purpose and role of the bank in the community, I would draw your attention to the article "Money at Work" — a brief discussion of some of the ways in which the chartered banks and other financial institutions work with money to help society achieve its goals.

I hope that you will find the entire Report interesting and informative reading.



W. EARLE McLAUGHLIN
Chairman and President



A common frustration for the individual in today's mass society is the "little man" syndrome — the overwhelming feeling that whatever a person may say or do, his vote or protest can have little or no effect upon the course of events.

And yet it is the essence of the democratic idea that individuals and families do count. Whether the mechanism be the political ballot box or the commercial market place, the actions of "ordinary" people, complemented and supported by the mass of others in the community, make history.

In similar vein it is probably very difficult for the "ordinary person" to see economic significance in a few hard-saved dollars put aside in a bank account. Yet these dollars, added to the savings of millions of other depositors, large and small, provide one of the essential ingredients for the success of our economy and for the maintenance and improvement of our standard of living.



MONEY AT WORK

Money, it has been said, is not worth the paper it is printed on. This is one way of making the point that money is worth only what it will buy. Indeed there have been times — and in this century — when national currencies have become so worthless that farmers and merchants have refused to accept them. In such spasms of hyperinflation, the economies of the countries concerned slide almost back to a primitive state in which all goods were traded in kind.

It is fundamentally true, then, that money by itself is worthless. Its value hinges entirely on the quantity or quality of the goods, services and assets for which it may be exchanged. Its purpose is to act as a common denominator according to which people and groups may trade things of unequal value. It merely represents what these things are worth.

That, at least, is the classic way of looking at it. It is instructive that the English word "money" has its roots in the Latin "moneta", which in turn was the name of the Roman goddess in whose temple coins were made. But were we to adhere to the concept of money as nothing but coinage or representative pieces of paper for use as a medium of exchange, we would be overlooking its most dynamic aspect. For when money has been saved, it in itself becomes something that can be bought and sold — or rented. In this way, it can be put to work as a creative machine.

Like a machine hired out to do a job, money is rented and returned when the job is over. Call the machine a loan, call the rent interest, call what is returned the principal — it amounts to the same thing. If no money were saved to be put to work and there were no system to lend it, the repair and renovation needed just to keep the economy going could not be undertaken — much less the expansion required to create new jobs.

Thus if people took all their earnings in cash and kept it in their socks, our society would regress and ultimately deteriorate. The intricate web of human endeavor known as a modern economy would fall apart. Even the most routine business could not be conducted. For when capital is not working as a building machine, it is serving as a lubricant to everyday economic effort. Few businesses of any size could operate effectively with only the money they have on hand day-to-day.

They therefore rent the money saved by others — borrow short-term capital, in other words — to tide them over temporary cash shortages. Their long-term financial assets can then be left untouched. Without this bridge over the gap between the time when things are sold and when they are paid for, most businesses simply could not exist.

Money works not only for companies, but also for individuals. For instance, how many people would own their own houses and land if it were not for the savings that go into mortgage funds? Credit granted to individual consumers — again based on money that has been saved — enables people to meet their current wants and needs, wants and needs that would otherwise have to be postponed and perhaps never satisfied. And for everything that is bought, something is produced. It all means jobs.

How is money converted into jobs and the good things that come with steady employment? Let's take an example — say you have a thousand dollars to spare. The sum has accumulated over a period of time in your savings account. It may be a small amount in the overall scheme of things, but for every dollar on deposit with the bank, a dollar (reserves excepted) can be loaned out.

Say the bank lends a thousand dollars to your next door neighbor. He wants the money to help pay for a new car. He expects that his income will be sufficient over the term of the loan to allow him to pay it off, along with the interest, without reducing the purchases he would otherwise make. He will still go ahead with the repairs to his summer cottage. His daughter will still get that new outfit when she returns to university. There will still be roast beef on Sunday, just as before.

Through these continuing family purchases a little bit of money will find its way into the incomes of thousands of people he or you will never





see. And in the meantime, your neighbor will also get his car. The local car dealer, the employees of the automobile company, the employees of companies which supply materials and parts to the auto plant — all will get a share of the original thousand dollars. So will the shareholders in these companies, who receive dividends.

Let's look at the auto company. People are able to borrow money to buy cars fairly easily; sales are up; the plant hires more men. Finally it decides to build an extension to the plant to increase production. The construction company and the suppliers of machines and equipment take on more workers to carry out the job.

Your thousand dollars is in there somewhere, lending its strength to the workings of a healthy, growing economy. The central fact behind it all is that, like you, most people and companies do not immediately spend all the money they earn.

Most of the money in motion finds its way directly or indirectly into deposits in Canada's nine operating chartered banks — the Royal and others — which operate under an Act of Parliament. The banks form the catalyst which transforms money into economic effort. Their lending and investment activities are what put money to work.

When money is deposited with them, the banks pay the owner interest for using it, or in the case of current and chequing accounts, provide a convenient and inexpensive service. After providing for legal and other reserves they then either lend the balance (which is most of it) to corporate or personal borrowers or use it to buy securities like bonds issued by governments and companies or stocks. The banks thus make savings into capital — and capital is an economy's basic fuel.

Every economy needs a banking system to activate savings. If banking did not exist, somebody would have to invent it.

The banks, of course, fulfil other roles besides putting people's savings into the economic bloodstream. For one thing, they guard savings against loss or theft. The actual currency in the hands of the public at any given time amounts to about 10 per cent of what is normally called the "money supply". People and companies put almost all the rest on deposit in the chartered banks or other financial institutions.

The banks themselves have a banker — the government-owned Bank of Canada with whom they keep deposits. These deposits form the bulk of the chartered banks' cash reserves. The money that banks keep in the till to run their everyday business — vault cash as it is called — comprises only a small part of their total cash reserves.

The fact that the Bank of Canada holds the chartered banks' deposits gives it control over the amount of money that is fed into the economy. By

adjusting the amount of cash reserves the banks have to operate with, the Bank of Canada can influence the total volume of credit the banks are able to grant. This is because the banks maintain a stable relationship between their cash reserves and the amount of deposits on their books.

Thus, when the Bank of Canada wants to increase the amount of available credit in the country's financial system, it buys Government of Canada securities from the public and pays for them by writing cheques on itself. These cheques are deposited with the chartered banks who, in turn, return them to the central bank for deposit to their respective accounts. Thus the cash reserves of the chartered banks are increased and this prompts the banks to expand credit.

When the Bank of Canada wants to "mop up" financial "liquidity" in the system, it does the opposite. It can also affect the cost of borrowing by its influence on the market prices of government securities and by altering the Bank Rate — its own interest rate for loans to the chartered banks. Since all interest rates are related, these changes are eventually reflected in the rates for loans and deposits at the chartered banks.

Thus the Bank of Canada can control the supply of money and influence the cost of its use. The central bank alone can do so; the chartered banks can only respond but not initiate.

Everyone has heard about — and not a few have suffered from — "tight money", a condition which occurs when the Bank of Canada decides to make the supply of money grow more slowly than the demand for it in the economy. Why does the central bank, acting in the final analysis for the federal government, find it advisable to expand or limit the money supply at different times?

The answer goes back to money's basic function as a means of payment. The more money there is to pay for things, the more purchases can be expected to be made. Sometimes, a strong demand for the things money will buy causes prices to rise steeply and therefore the value of money to fall off sharply. When this happens, the Bank of Canada — charged with safeguarding the value of the national currency — tries to curtail the demand for goods, services and physical and financial assets by making money scarcer and more costly to acquire.

Conversely, it will expand the money supply and attempt to reduce the price that must be paid for the use of money when the economy appears in need of stimulation, for example in times of high unemployment. This again goes back to money's role as a means of payment; the theory is that if there is more money available, more goods, services and assets can be purchased and more people will be employed to supply the effort behind these



added sales.

The technique is far from foolproof because the money system is so spread out, reaching into so many different corners of our national life. With money working in such a vast number of ways, it is hardly surprising that the economy does not always respond quickly or readily to the Bank of Canada's efforts to speed business activity up or slow it down.

Because the economy is slow and unpredictable in its response to monetary stimulation or restraint, the Bank of Canada must constantly attune its policies to the economic conditions it anticipates in future. It is like a duck hunter who must aim not where the bird is, but where it is likely to be.

It might perhaps be noted that the central bank activities are directed towards control of the *total* amount of money in the financial system. "A buck is a buck" and as such one Canadian dollar is freely interchangeable with any other Canadian dollar. Accordingly, the central bank cannot cause dollars to be placed in or be withdrawn from given areas of the country. They ebb and flow largely in accordance with the demands for them. Further, neither the Bank of Canada — nor for that matter anyone else — can really induce people to borrow and spend if they don't feel like it. Lower interest rates along with greater availability of money tend to encourage spending, but the basic demand must be there.

These two factors are among the reasons why efforts to influence the course of the economy through monetary policy can be difficult and inexact. But this is a strength of the system and not necessarily a weakness.

Granted there are times when it would be desirable if the effects of the monetary policy were swift, direct and precisely predictable. Yet implicit in such an economic system would be all-pervasive control of every facet of the economy. Such control, clearly, would be incompatible with a democratic society in which the individual can exercise a reasonable measure of freedom of choice.

It is because of this freedom of choice that monetary policy does not always produce the immediate and hoped for results. Yet at the same time, it is the same lack of precision that stems from individual assessment and actions that largely tends to safeguard the system as a whole from the disastrous effects that could otherwise follow in the wake of but one major policy or planning error.

To do its job as an economic regulator effectively, however, monetary policy must pull in tandem with government spending and taxing policies. Government spending on all levels — federal, provincial and municipal — makes up a large part of all the spending done in the economy. If, for

instance, governments continue to spend at a rapid rate while the central bank is attempting to diminish spending as a whole, its efforts inevitably are sapped of some of their strength.

Governments also borrow money from the public, and their borrowing activities can weigh heavily on the total stock of loanable funds available. The price they are willing to pay for money is one of the leading forces in setting the general level of interest rates.

Governments have the power, through their taxing authority, to influence how much money is available to be spent by companies and individuals. When taxes are raised, people and groups find themselves with less money with which to make purchases. When they are lowered, there is more money around to spend.

It is sometimes difficult to understand what all the complicated monetary manoeuvres on the international front mean to the individual. Suffice it to say that if a nation's currency is not readily exchangeable for other national currencies people and groups in that nation will have difficulty in trading with other countries. No nation is self sufficient; all must buy from others and sell to others to varying degrees. And all can benefit from international trade in terms of higher living standards. Hence it is important that nations agree on arrangements that facilitate the exchange of one national currency for another, in order that their citizens can freely engage in international trade and investment.

The international monetary arrangement agreed to at the end of the second world war has run into difficulties. Countries have reached a temporary agreement to smooth over the difficulties, but the need for basic reform remains. If it is not achieved, there is the danger that countries may again act on their own to try and solve the problems besetting them as a result of the weaknesses in the old arrangements. However, unilateral actions, such as exchange controls and import taxes would hamper world trade and investment — to everyone's disadvantage. Rapid agreement on new arrangements acceptable to all countries is essential.

In the longer term, the exchange value of the Canadian dollar internationally will reflect Canada's position in the world economy — that is, the extent to which foreigners want to buy and invest in Canada and Canadians want to buy and invest abroad. This will depend on a great many factors including the productivity, efficiency, and innovativeness of our industry, the effectiveness of our selling efforts, and the soundness of our government policies. All these factors, and many others, will establish what the Canadian dollar can buy at home and abroad.



Many people believe our money is backed by gold, which it is not; still others think it is created by political edict, which it is not either.

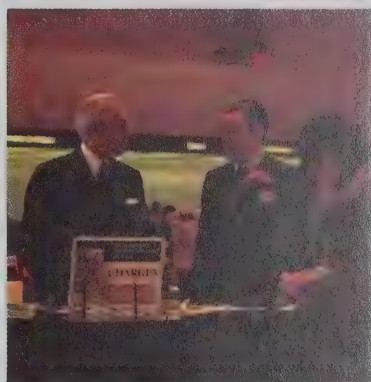
Although the political power to create it exists, it is recognized that it would be folly for any government to try to expand the supply of money beyond the productive capacity of the economy.

In the end, there is a dollar's worth of effort behind every dollar. There has to be.



Report on the Year's Operations

by J.K. Finlayson,
Vice-President
and Chief General Manager



When reporting to you at this time last year, I prefaced my remarks with the statement that many of the factors and conditions which affected our banking operations had been subject to substantial and sometimes dramatic change in the year then under review.

Well — not surprisingly — I can safely say the same thing about 1971 and no doubt such comment will continue to be appropriate in the years ahead.

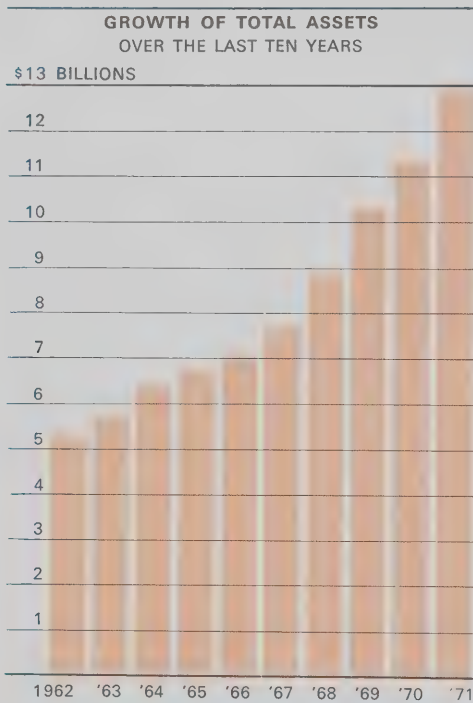
Nevertheless, I am pleased to report that the Royal Bank in the fiscal year just ended achieved significant growth in the levels of assets, deposits and loans and that from the point of view of revenue we enjoyed the second best year in our history.

Total assets of the bank at October 31st exceeded \$12.9 billion — a new record for us — and were up 13.9% from a year earlier.

Total deposits of \$11.8 billion increased by 14.3% in the year. Of this amount, foreign currency deposits accounted for \$4.1 billion or 34.8% — an increase of 7% from the previous year-end. Canadian dollar deposits at \$7.7 billion increased by 18.6% in the same period reflecting an unusually large increase in the money supply during the year.

Total loans at year-end were just short of \$7 billion —





NOTE: because the bank's year-end was moved from November 30 to October 31 in 1965, that year — in the above and following charts — is calculated on an 11 month basis.

an increase of 13.1%. Other than a rather short-lived spurt in the first quarter, loans expanded only moderately until last June, since which time the demand has been strong and as we enter fiscal 1972 this trend is continuing.

\$52.4 million was transferred to the Appropriation for Losses Account during the year — an amount approximating the 1970 allocation. Of this \$25.6 million was required for income tax and taken together with other adjustments, the accumulated Appropriation for Losses Account increased by \$25.7 million.

Provision for income tax on the year's operations — shown on the Statement of Revenue and Expenses — decreased by 9.1%. Taken together with the income tax provision associated with the Appropriation for Losses Account just mentioned, our total income tax bill for the year amounted to \$69.5 million.

From net earnings — \$44 million — or Balance of Profits as it is called on the Statement of Revenue, Expenses and Undivided Profits, dividends of \$29.2 million were paid to shareholders equivalent to 88¢ per share which compares with 86¢ per share in the previous year.

Shareholders' equity at the conclusion of the 1971 fiscal year totalled \$407.8 million, up 4.3% from 1970. This consists of paid-up capital, \$66.5 million; Rest Account, \$338 million; and undivided profits, \$3.8 million. During the year we issued \$75 million in debentures which, for operating purposes, may be considered as a form of capital bringing the total of capital funds to 3.73% of total assets.

The Year's Economic Environment

These results were achieved within an economic environment which changed substantially during the course of the year. The first six months were characterized by a strongly expansionary monetary policy in Canada as the authorities responded to a continuing high level of unemployment. During this period the rate of increase in the money supply, seasonally adjusted, was close to 20% (expressed on a full-year basis) — about double what it was in the previous six months. As a result, Canadian dollar deposits grew rapidly. Loan demand, however, lagged in its response to this monetary stimulation, apart from the usual seasonal spurt in November/December 1970. As a result, the rate of increase in business and personal bank loans in the first half of this fiscal year was only about one-half the rate of increase in the money supply.

Given relatively sluggish loan demand and rapidly increasing deposits, bank liquidity remained at a high level through the second quarter and a relatively higher proportion of chartered bank Canadian dollar funds was therefore held in lower-yielding liquid assets.

The rapid expansion in money supply, combined with the moderate demand for funds, intensified a decline in short-term market rates of interest that began early in 1970. By March 1971, the yield on three-month Treasury Bills had fallen to 3% — the lowest yield in over eight years.

The central bank rate was cut three times between the end of October, 1970, and the end of February, 1971, dropping one and a quarter percentage points to 5½%. Chartered bank prime lending rates dropped one and a half percentage points — to 6½% — between the end of October, 1970, and the beginning of March, 1971. While interest rates on non-chequable personal savings deposits fell in line with bank prime lending rates, the drop

Response to regionalism

"Canadian unity is not that of the melting pot, but is based on a recognition and harmonization of differences". Pierre Elliot Trudeau.



ing senior executive representation in Ontario, and resident in Toronto,
C. Frazee, Vice-President, J.M. Bankes, Vice-President
H. Coleman, Deputy Chairman and Executive Vice-President

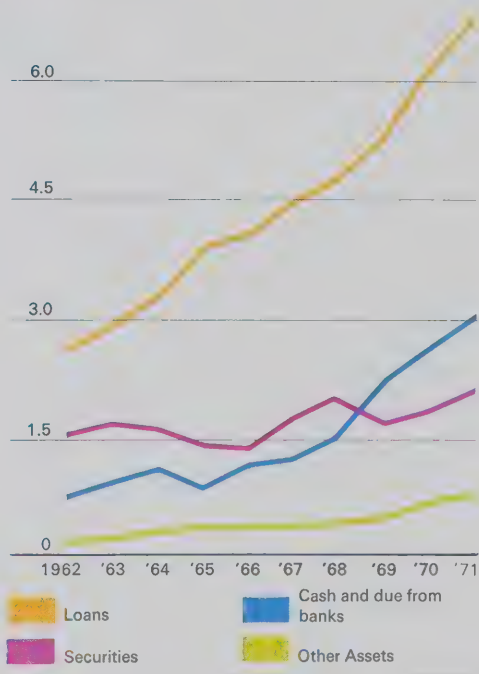
"... As a national institution with wide representation in every part of Canada, and with an important stake in every region, we are fully aware of and responsive to local and regional needs. Indeed we must be so ...

"... Our ability to serve all regions well rests not only on our strong sensitivity to local and regional needs, but on the fact that we can bring to bear on regional problems the financial and knowledge resources that can only be available from a large and strong national institution. Thus we are convinced we can provide financial strength and know-how in a way no purely regional organization can do ...

"... Through our District General Managers' Departments across Canada, we maintain decision-making centres in each region which enable us to remain closely identified with the area. These not only serve as regional headquarters for the bank — they are The Royal Bank of Canada as far as the regions are concerned. Let me assure you that these are real centres of decision-making authority, each headed by very senior executives whose responsibility is to ensure that the citizens and enterprises of their respective areas are served as well and as completely as possible. They bring to their task full knowledge and understanding of specific local problems and needs — and the determination to find solutions ..." J.K. Finlayson, Vice-President and Chief General Manager, 1971 report on the year's operations.

With responsibility for the Royal's eight Canadian districts are ...

ASSET STRUCTURE
OVER THE LAST TEN YEARS
\$7.5 BILLIONS



I am referring to the growing strength in many parts of Canada of powerful regional and regionalist feelings — feelings which sometimes result in a certain hostility to national institutions.

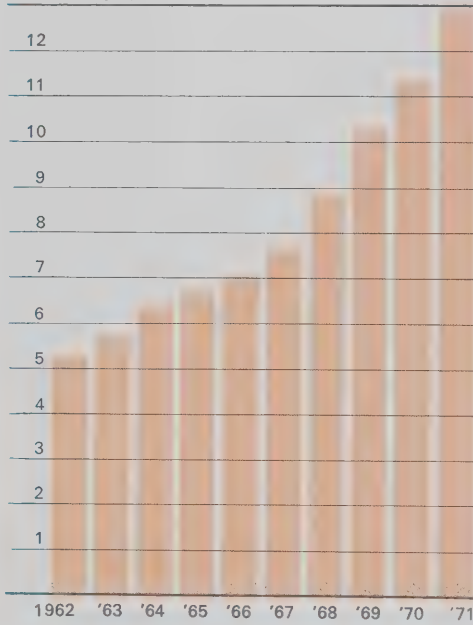
Diversity within Unity

Regionalism in Canada is not a recent phenomenon — it is as old as Confederation itself. And it is not surprising; each province has its own physical identity, economy and special point of view. And although many common traditions, beliefs and purposes link the provinces and their people together, diversity is an important Canadian fact. I believe this to be one of Canada's strengths so long as it is diversity within unity, and we avoid the dangers of balkanization, politically and economically. As Prime Minister Trudeau put it recently: Canadian unity is not that of the melting pot, but is based on a recognition and harmonization of differences.

There is no doubt, though, that of late regionalist

**GROWTH OF TOTAL ASSETS
OVER THE LAST TEN YEARS**

\$13 BILLIONS

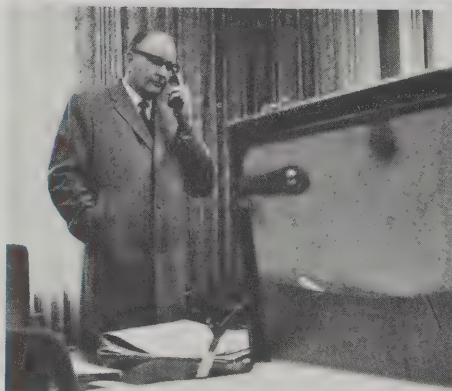


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**... In British Columbia, W.D.H. Gardiner,
Vice-President and District General Manager, Vancouver**

British Columbia, Canada's fastest growing province, has traditionally had an economy based on forest products. While this remains largely true even today its booming mining, manufacturing and ocean-based industries are rapidly changing and diversifying the province's economic mix. In addition, the increasing importance of Canadian trade with the Pacific Rim, particularly Japan, has contributed to the vitality of British Columbia's deep water port facilities. In 1972 the opening of the bank's new Royal Centre district headquarters will provide a new base from which Mr. Gardiner and his staff can provide even better service to British Columbians — from rugged northern mining sites to the fruit and vegetable belt of the southern Okanagan region.



in rates on other interest bearing deposits tended to lag behind the decline of lending rates and bond yields.

These conditions put pressure on bank profitability; and our own Balance of Revenue declined during the first two quarters of fiscal 1971, as compared with the same periods in 1970.

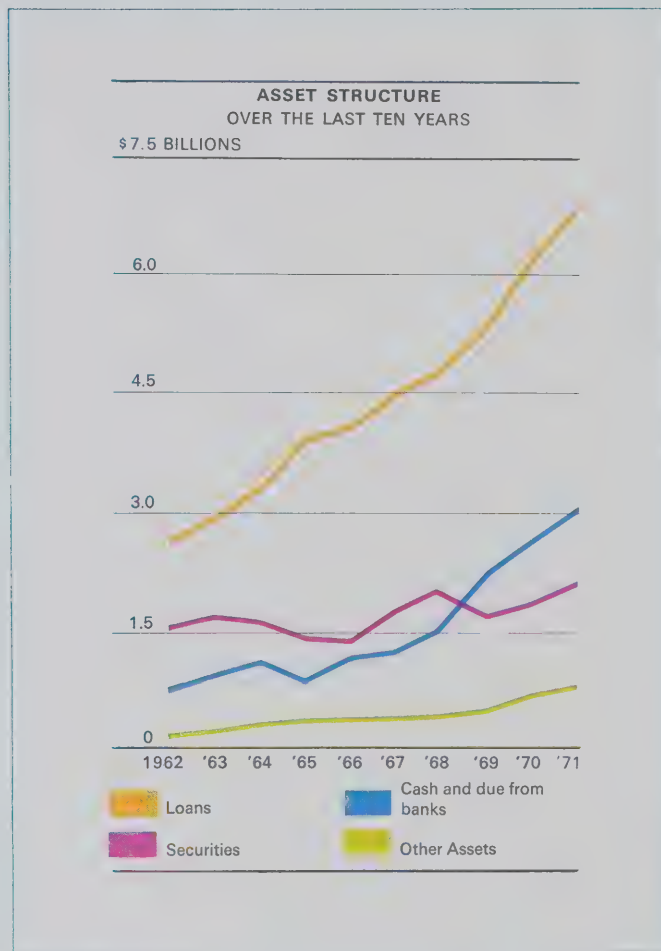
The circumstances were almost completely reversed in the second half of fiscal 1971. The rate of increase in money supply and chartered bank deposits, while still high, slowed slightly. As the Canadian economy began to develop more real growth, chartered bank loans — particularly mortgage loans — increased at a fast pace. With slower growth in bank deposits and faster growth in loans, chartered bank liquidity declined and our average yield on Canadian assets improved.

Good Earnings Anticipated

Market rates of interest rose steadily through the summer, possibly reflecting some increase in expectations of inflation as well as increased demand for funds. President Nixon's new economic policy announced in August reversed the upward trend in market rates of interest, and these rates dropped sharply in most world financial centres. In Canada, the trend to lower interest rates culminated in October in cuts in chartered bank prime rates of one-half percentage point to 6% and a similar reduction in central bank rate to 4.75%. However, despite the financial gyrations due to disturbed international money markets, conditions in Canada were basically favorable for improved bank profits during the second half with loans increasing rapidly and bank liquidity declining. Our third and fourth quarters both registered improvement in Balance of Revenue, with the result that we ended the year with the modest decline of only 2.7% from the record-setting level attained in 1970.

With measures to restore order in international monetary arrangements not a month old and with other basic changes yet to be negotiated, predicting future events with a horizon of even only a few months is more than usually dangerous. Nevertheless, our economy now appears to be growing at a healthy rate in response to the expansionary monetary policy of the past year and the measures of fiscal stimulation in the June and October budgets. This suggests that loan demand will remain strong over the next few months and we are anticipating a good earnings picture in fiscal 1972.

As these remarks imply, the growth and earnings of the bank are strongly influenced by changes in the economic environment in which we operate. Our fortunes are also affected, of course, by social and political trends as well, and I would like now to mention one which is of great importance.

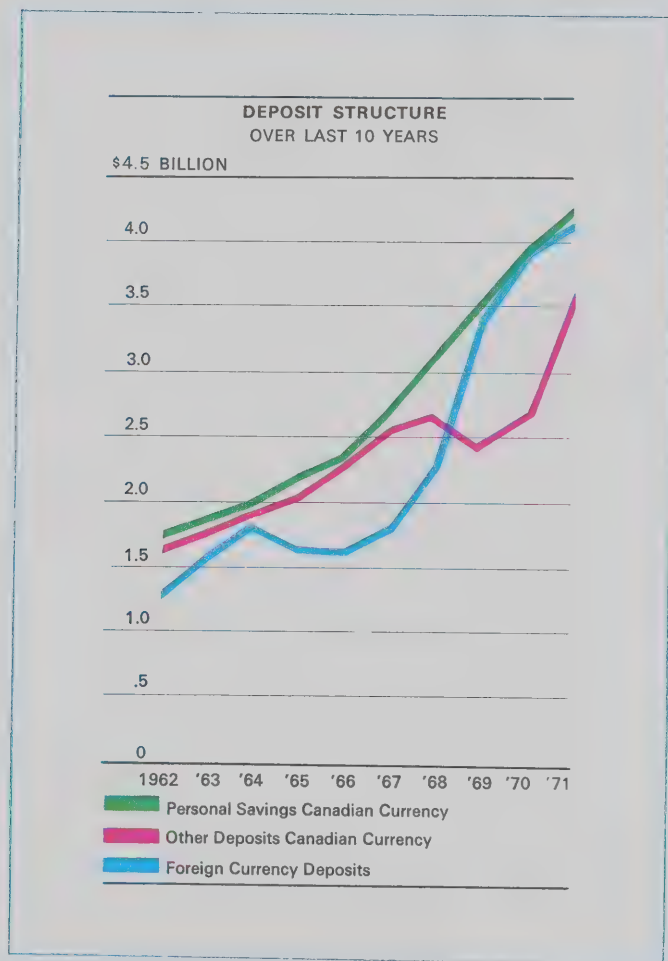


I am referring to the growing strength in many parts of Canada of powerful regional and regionalist feelings — feelings which sometimes result in a certain hostility to national institutions.

Diversity within Unity

Regionalism in Canada is not a recent phenomenon — it is as old as Confederation itself. And it is not surprising; each province has its own physical identity, economy and special point of view. And although many common traditions, beliefs and purposes link the provinces and their people together, diversity is an important Canadian fact. I believe this to be one of Canada's strengths so long as it is diversity within unity, and we avoid the dangers of balkanization, politically and economically. As Prime Minister Trudeau put it recently: Canadian unity is not that of the melting pot, but is based on a recognition and harmonization of differences.

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sentiments have become more powerful. Many of the country's economic problems are regional in nature, and these often seem to call for regional solutions. Nevertheless, to solve regional problems in the most effective way, I am convinced that the solutions are seldom *purely* regional but, in fact, often call for the contribution of human and financial resources that are not limited by geography.

As a national institution with wide representation in every part of Canada, and with an important stake in every region, we are fully aware of and responsive to local and regional needs. Indeed we *must* be so, for the prosperity of the bank everywhere in Canada flows from and depends upon the health and growth of the society and the communities in which we operate.

Our ability to serve all regions well rests not only on our strong sensitivity to local and regional needs, but on the fact that we can bring to bear on regional problems the financial and knowledge resources that can

only be available from a large and strong national institution. Thus we are convinced we can provide financial strength and know-how in a way no purely regional organization can do.

As I have said, we are a national organization. We are also, of course, a local and regional organization everywhere we operate. Through our District General Managers' Departments across Canada, we maintain decision-making centres in each region which enable us to remain closely identified with the area. These not only serve as regional headquarters for the bank — they *are* The Royal Bank of Canada as far as the regions themselves are concerned. Let me assure you that these are real centres of decision-making authority, each headed by very senior executives whose responsibility is to ensure that the citizens and enterprises of their respective areas are served as well and as completely as possible. They bring to their task full knowledge and understanding of specific local problems and needs — and the determination to find solutions.

Increased Branch Representation

To serve Canadian communities well — and, of course, to compete vigorously for an increased share of business — we are engaged in an ambitious program of increasing our branch representation. During the fiscal year we opened 62 new branches in Canada which, taking into account the closing of some because of shifting conditions, brought our year-end total of branches in Canada to 1,245. Outside of Canada, incidentally, we opened six new branches and our world total of branches at October 31 was 1,366.

The opening of new branches is, of course, only one aspect of the manner in which our branch network is being upgraded. We are always busy renovating older branches and, in some instances, moving existing branches into new modern quarters.

Further evidence of the importance we place upon our representation across Canada is provided by our program, executed over the last few years, to locate our District General Managers' offices in modern, efficient regional headquarters. We are now installed in such premises in large Canadian centres, with two major projects still underway. In Vancouver we expect the opening of Royal Centre, strategically located at Georgia and Burrard, early next year. In Toronto, we have assembled a parcel of land in the financial district to accommodate larger Ontario headquarters and preliminary planning will be underway this year. Our premises in New York leave much to be desired and it is our intention to effect important renovations which, coupled with the recent purchase of the adjoining building, will provide the nec-



... In Alberta, H.E. McClenaghan, District General Manager, Calgary

The nation's richest source of oil and gas, Alberta has posed a unique challenge to bankers over the last several decades. In response the Royal has created a highly sophisticated oil and gas department, especially geared to meet the needs of the petrochemical and related industries. Today the Royal is involved in the financial aspects of every area from actual drilling through to pipe and drill-bit fabrication. Despite the stellar rise of the petrochemical industry, livestock production retains a position of economic prominence and Alberta is the leading beef producer in the country. These, coupled to grain production, a growing tourist industry and expanding secondary manufacturing have provided the province with one of the most dynamic economies in the nation. Mr. McClenaghan and the Royal continue to play a major role in Alberta's prosperity.



GROWTH OF TOTAL LOANS
OVER THE LAST TEN YEARS

7,200 MILLIONS

6,000

4,800

3,600

2,400

1,200

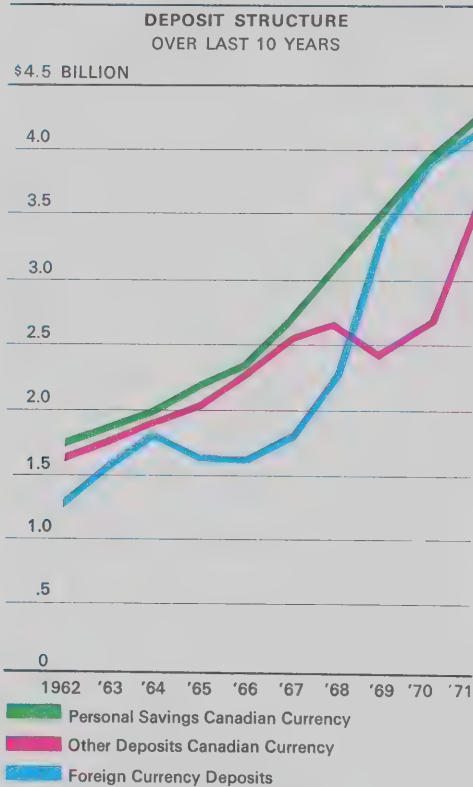
1962 '63 '64 '65 '66 '67 '68 '69 '70 '71

been on a short-term basis to provide operating funds, and heretofore clients seeking intermediate-term financing usually had to obtain it elsewhere. I am pleased to report that we are now integrating this kind of lending in the mix of commercial bank services, and in this way expect to be of even greater assistance to the country's many smaller enterprises. Other new approaches in the commercial loan field are being successfully explored by International Capital Corporation, our affiliated merchant banking operation.

One other specialized kind of lending which deserves mention is one of great importance in the Canadian scheme of things — agriculture. I have previously described our FarmPlan loan program, so suffice it to say here that this area of our business is showing very good progress, to the mutual benefit of farmers and the bank.

On the side of *personal* business, some of the developments may be better known:

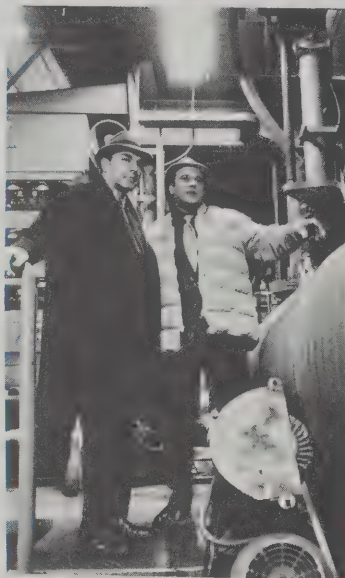
Our consumer instalment loan program — TermPlan



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Our ability to serve all regions well rests not only on our strong sensitivity to local and regional needs, but on the fact that we can bring to bear on regional problems the financial and knowledge resources that can



... In Saskatchewan, H.G. Hurd, District General Manager, Regina

Accounting for two-thirds of Canada's wheat production, Saskatchewan is an agriculturally-based economy. Shifting world markets for grain have created the need for some economic diversification. The world's largest known potash reserves have been tapped and oil and gas fields are pumping additional life into the economy. On the agricultural front, diversification is being met by a trend to both mixed cash-crop and livestock production. New markets are also being discovered for the sale of feed grain. Through contacts with the farm community, manufacturers and communicators, Mr. Hurd and his staff garner the information and experience required to provide sound financial advice and backing for Saskatchewan.



essary expansion space.

Buildings are important, of course, but far more important is what goes on in them — the ways in which our people provide customers with service, in branches and in offices across the country. It is in the activities and services of the bank that “the rubber meets the road”.

Residential Mortgage Activity

Fiscal 1971 was a very active year for the Royal and I would like to mention some significant developments: One is our mortgage business. Since revision of the Bank Act in 1967, the Royal Bank has made 34% of the residential mortgage commitments reported by Canadian chartered banks. For fiscal 1971, our share was 36%. The importance of this figure becomes clear when it is placed in context with the fact that the chartered banks are now Canada's largest source of funds for residential mortgages.

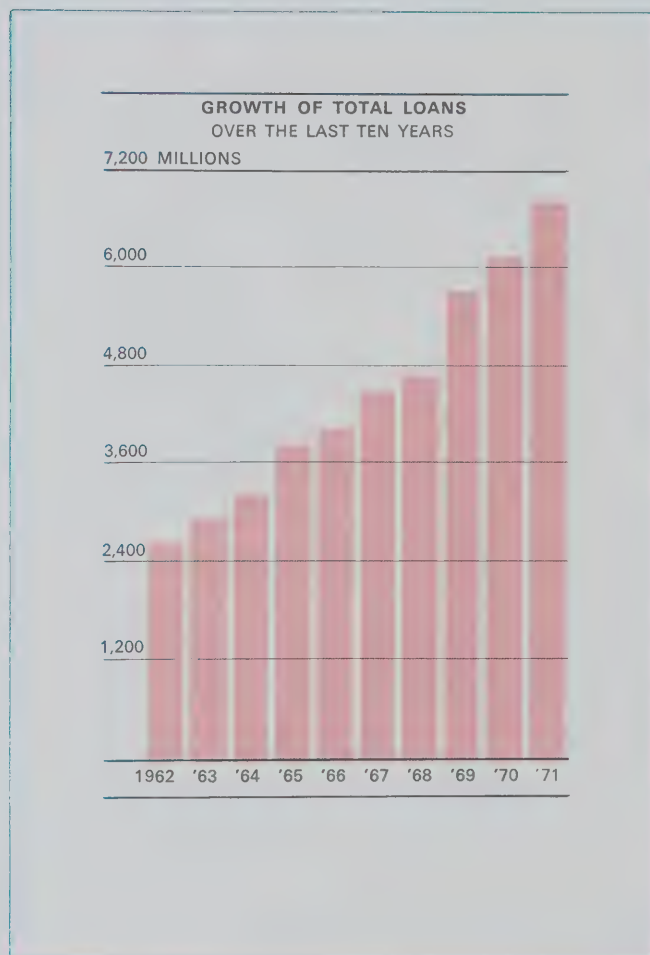
In the mortgage field we have concentrated on *residential* mortgages, not only because we felt the need was greatest considering Canada's overall housing situation, but because our extensive branch network makes it possible for us to provide funds for home purchasers in many of the smaller centres of Canada where other mortgage lenders are not locally represented.

In re-entering the mortgage field in 1967, we knew that our capacity to make mortgage loans would be limited unless we could devise a way to open a channel through which institutional and commercial investment money, as well as personal investment funds, could flow through into housing. Accordingly we offered to sell packages of our mortgages, and subsequently were instrumental in the founding of RoyMor Ltd., which buys mortgages from the bank with money raised through debenture issues, investment certificates and commercial paper. The wisdom of these steps was amply attested in 1971 as in previous years.

Service to corporations continues to grow in variety as well as in volume. Our new Corporate Services Management program, for instance, is enabling us to improve and expand our range of services to individual corporate clients and the results thus far have been gratifying.

We are also pleased with the progress to date of the development and sale of Automated Customer Services, such as account reconciliation, payroll services, mortgage accounting and pre-authorized payments. Other new, computer-based services are on the way.

We have always placed emphasis on our service to small and medium-sized business, and have particularly stressed loans to these categories of business. Nevertheless, most bank commercial lending has traditionally

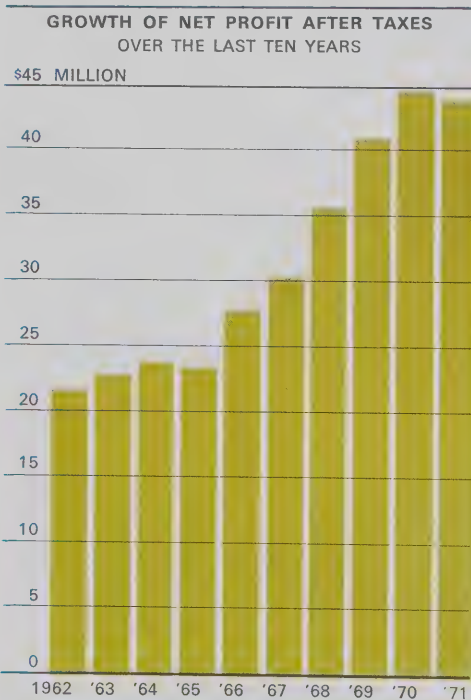


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On the side of *personal* business, some of the developments may be better known:

Our consumer instalment loan program — TermPlan



— continues to grow well and is, of course, a means by which relatively small loans can be made to individuals and families for everyday needs at a level of administrative cost which is reasonable to us, and at a price which is lower than many borrowers would otherwise be forced to pay elsewhere.

Chargex, which during the past year expanded rapidly to become national in scope, has grown at a remarkable rate when one considers the plan was introduced as recently as late 1968. Chargex, which we operate along with three other Canadian banks, has been warmly welcomed by merchants and personal customers alike, and in a few years has progressed to become one of the more successful large credit card operations in North America. We expect it to play an increasingly important role in our business as a consumer lending mechanism, as a stepping stone towards a future payments system, and as a contributor to the profits of the bank.

Helpful in Action as well as in Name

Another innovation worthy of mention is our introduction during the past year of TravelPlan, which represents our entrance into the fast-growing travel and tourist industry. Through an association with Suntours Ltd., Canada's leading holiday packager, we expect to generate additional business with our benefits flowing mainly from customers' use of travel-related Royal Bank services such as savings accounts, instalment loans, travellers' cheques, currency exchange and Chargex. Our approach to the travel business, designed as it was to *add* to the business of Canada's travel agents rather than compete with them, has been well accepted by the travel industry and early indications are that our initiative in this field will be a successful one.

Another relatively new departure, Royfund — the mutual fund made available through Royal Bank branches — continues to find increasing public acceptance.

Providing useful *new* services to the public helps us to live up to our advertising as the helpful bank. But we cannot afford to neglect — and have no desire to de-emphasize — our existing services, and especially the matter of personal service to customers in our branches. Our program of providing improved sales and service training to our staff saw considerable expansion during 1971, and we recently experimented with the use of a special staff incentive plan to encourage staff members in their customer contacts. In addition, we have introduced a number of new techniques to our in-branch service. One is *Fasteller*, a means of reducing line-ups at the counter and serving people on a first-come, first-served basis, with increased privacy for the customer. Another is *Fascash*, the use of precounted bundles of currency to speed up service. A third innovation is the experimental use, on a limited basis, of a computer program to plan the best deployment of staff to handle the flow of in-branch business during the week, and particularly in peak periods.

Improving service and efficiency today is so closely linked to computer technology that we cannot really separate one from the other. If I were to be asked what the single most important change in Canadian banking will be in the next decade or two, I would unhesitatingly reply that it will be the systems and technological changes leading towards a new kind of payments system. The key to it is the combination of the computer and data transmission. The effect will be much less reliance on the handling of paper documents, and much more reliance on electronic means of symbolizing, recording and transferring value.



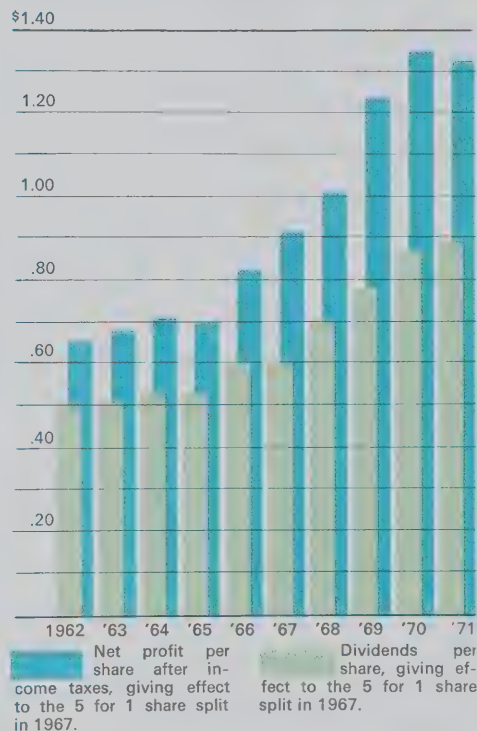
In Manitoba, S.A. Cross, District General Manager, Winnipeg

The leading manufacturing centre of the three Prairie provinces, Manitoba is also a major grain producer. Complementing the primarily agricultural economy are extensive copper and nickel deposits now being tapped in the province's newly developing north. Winnipeg, apart from being a major transportation centre, is home for the Grain Exchange, the Canadian Wheat Board and extensive meat packing operations. As head of the bank's Manitoba operation, Mr. Cross deals with the varying problems of agriculture, manufacturing, and the natural resource industries everywhere from the subarctic Hudson's Bay region to the province's rich southern farmlands and Lakehead grain elevators in extreme western Ontario.



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**EARNINGS PER SHARE AND DIVIDENDS PER SHARE
OVER THE LAST TEN YEARS**



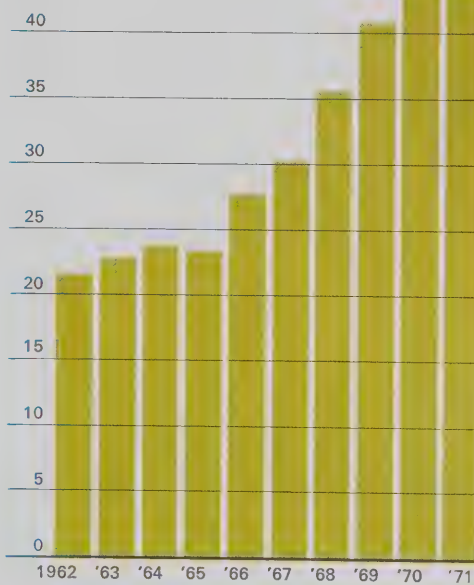
Our prime purpose and responsibility is to serve Canadian depositors and borrowers as well as our 32,200 shareholders who are overwhelmingly Canadian. But our great interest and stake in the world outside Canada is evident from the fact that of our total deposits, approximately 35% are in non-Canadian currencies. Foreign trade is so vital to our country's economy that we use all the means available to assist Canadian exporters and during the past year our participation in foreign trade financing has been the most active in our history. Here I should like to mention the innovative role of the Export Development Corporation whose interest and enthusiasm in efforts to aid those requiring international financing is to be commended.

Period of Transition

The period under review can perhaps best be described as one of transition, two significant factors being the emergence of a more cohesive Europe as a major trading

**GROWTH OF NET PROFIT AFTER TAXES
OVER THE LAST TEN YEARS**

\$45 MILLION



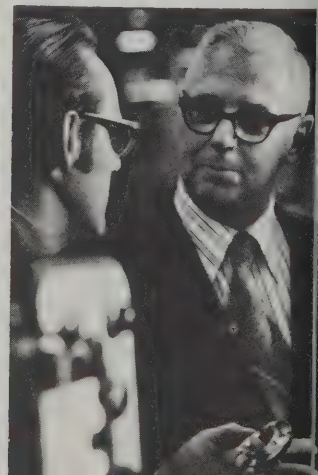
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... In Ontario, D.W. Morison, District General Manager, Metropolitan Toronto and East

Ontario, the most industrialized province in the country also leads Canada in total agriculture. For internal administrative purposes, the bank has divided Ontario into two separate districts. D.W. Morison has overall responsibility for Metropolitan Toronto and points east to Kingston. Geographically the bank's most compact district, it includes the most active commercial and financial centre in the nation. The corridor from Toronto to Kingston also lay claim to some of the heaviest manufacturing in the country including the automotive industry in Oshawa. From downtown department store to suburban metal fabrication plant, this is the area that Mr. Morison serves.



Mastering New Technology

To help us chart our course in this area, we completed a comprehensive study not only of our own processing problems and needs, but of the needs of our customers; and the results are now being used in our systems planning. We have been involved in automation for quite some time, and we believe we are at least as advanced in the application of computer technology as any Canadian bank.

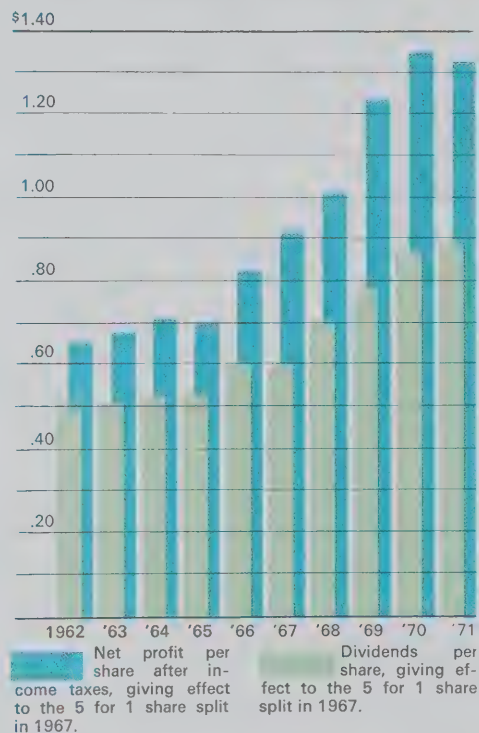
Our two major objectives in this area are to automate routine "back-room" functions not only to have them accomplished more efficiently, but to free our people for more creative, meaningful and challenging work; and to find ways to cope with the rapidly growing volume of transactions before we all drown in a sea of paper. Our approach to this is a balanced one. We intend to progress as rapidly as possible, but we are also determined to make sure that our progress is real and soundly based. We are taking care to avoid expensive blind alleys while adding new computer applications as they become economically feasible. This approach allows us to derive early benefits as new applications come on stream, and avoids or minimizes the traumatic effects of new systems proving difficult to launch. Our philosophy, in brief, is to move a step at a time, planning, installing, testing, evaluating results and applying what we have learned to new plans as we go along. While this route is possibly less spectacular and has received less publicity than some others we believe it will be the one most likely to give us sound and economic results in the long run.

I am sometimes asked what computers will do to banks and bankers in the years ahead, and I think the views of Winston Churchill are useful here. He said that "man must *master* technology and change, and bend them to *human* ends." As bankers, we must master the new technology if we are to survive, but we must never forget that our purposes are *human* ones and that banking is basically a business of people helping people. We believe technology can help us do it better.

Most of what I have reported to date refers primarily, though certainly not exclusively, to our operations in Canada. We are the world's eighth largest bank, and it is the size and vigor of our international operations which make this possible. And our international operations were, in fiscal 1971, more important to us than ever before as a supplement and complement to our Canadian business.

Despite a number of problems, including a monetary crisis and unsettled political and economic conditions, our international operations continued to make an important contribution to earnings.

EARNINGS PER SHARE AND DIVIDENDS PER SHARE
OVER THE LAST TEN YEARS



Our prime purpose and responsibility is to serve Canadian depositors and borrowers as well as our 32,200 shareholders who are overwhelmingly Canadian. But our great interest and stake in the world outside Canada is evident from the fact that of our total deposits, approximately 35% are in non-Canadian currencies. Foreign trade is so vital to our country's economy that we use all the means available to assist Canadian exporters and during the past year our participation in foreign trade financing has been the most active in our history. Here I should like to mention the innovative role of the Export Development Corporation whose interest and enthusiasm in efforts to aid those requiring international financing is to be commended.

Period of Transition

The period under review can perhaps best be described as one of transition, two significant factors being the emergence of a more cohesive Europe as a major trading

and financial centre and the continued expansion of Japan in world trade and finance. These factors are prime reasons why the United States is charting new international trade and financial directions. As the Secretary of State for External Affairs, The Honorable Mitchell Sharp, aptly put it not long ago: "Leadership will be required to bring about the saner and healthier monetary system and trading arrangements the world so clearly needs".

Changing Patterns

One aspect of that leadership will be how well it is recognized that business is becoming more international and that corporation management more and more transcends national frontiers. It has been estimated that multinational corporations now account for as much as 20% of today's world trade and their banking and financial needs are of comparable size and importance.

The history of our operations outside Canada is rooted firmly in the establishment in the Caribbean and elsewhere, of branches very similar to those we operate in Canada. While commercial business, especially the financing of international trade, has always been important to us, the nature of our international business was largely *retail*. But this is changing and while our operations in Canada are trending towards greater retail or "personal" business, the trend on the international side is in the opposite direction, towards *wholesale*, multinational activity. Thus our international business is gradually becoming not so much a matter of operating branches in various countries but more one of establishing and developing affiliations with various banks and financial institutions outside of Canada.

In many of the countries in which we and other Canadian banks have long been established, growing nationalism is having a distinct impact upon the role we play there. For example, in Jamaica we have transferred our business to The Royal Bank Jamaica Limited and have undertaken to make available locally 51% of the shares over a five-year period. The same general course will be followed in the near future in Trinidad and Tobago. In Venezuela, in compliance with legislation restricting banks with more than 20% of the shares held by foreign owners, as of July 1st, operations were taken over by the Banco Royal Venezolano C.A. It is worth mentioning that although our equity in the new bank is only 20%, it will now be possible for our affiliate to increase the number of its branches in Venezuela, and thus its overall business.

Orion

Since I talked to you last year, the Orion Banking Group, located in London, has been strengthened by the participation of the Milan-based bank, Credito Italiano, which has joined the four original shareholders. Orion's progress has been very satisfactory. With operations geared to the new trading and financial patterns of the international and multinational corporation, it gives us an "in house" capability that not only protects existing customer relationships but is helping to increase our penetration of a highly competitive but profitable market.

International Division Organization

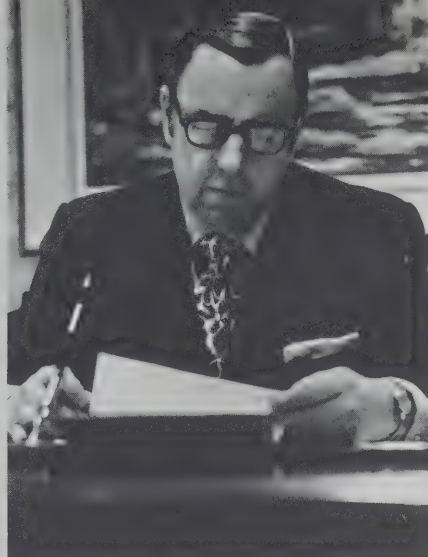
The reorganization introduced last year has considerably strengthened our International Division's facilities, resources and on-the-spot representation, and the experience gained is proving invaluable in charting our future international course. During the past year, we consolidated a number of scattered units into one cohesive International Division headquarters group, and the benefits of being together as a team are increasingly apparent. In addition, training programs have been expanded to embrace the International Division and special courses are now being made available in many countries where we operate.

World Regional Trends

In the past few years we have been developing many other associations with international financial groups in specific regions such as the Private Investment Company for Asia (PICA) in Asia, Adela Investments Company S.A. (ADELA) in South America and other financial institutions in specific countries such as Lebanon, Belgium and Australia. These organizations and institutions reflect a growing trend toward regional development throughout the world. One result of this regionalism may be to facilitate Asian integration into the world economy. We are fully aware of the growing potential for business in the Pacific Rim and are determined to play a meaningful and profitable role in developments in that area. Indeed, the time may come when Canadian business may have to direct more of its efforts towards the East.

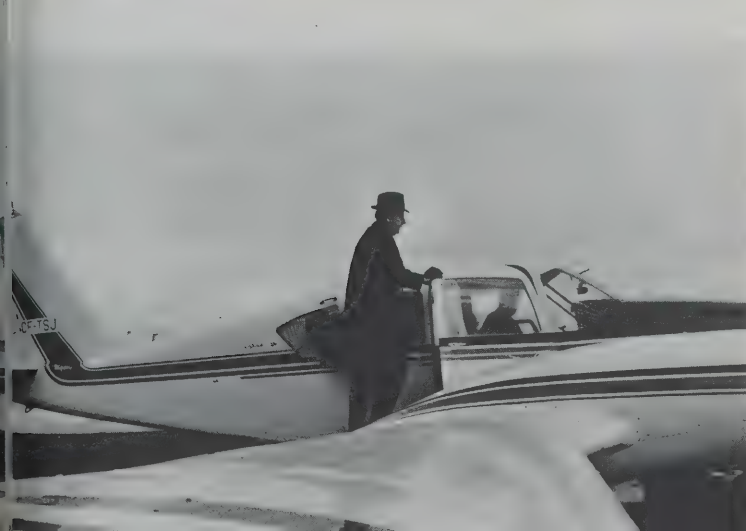
Tax Changes

Much of our own progress in the international field rests on the economic well-being of Canadian clients engaged in international trade, many of whom now face a serious problem. I am referring to the recent federal tax changes and here I must agree with the view that the effects on the competitive position of Canadian firms in world markets could be adverse.



... and G.B. Langley, District General Manager, Ontario
—West and North.

The Ontario—West and North district is highly diversified, running the gamut from Hamilton's steel mills in the south to the rolling farm lands of central Ontario and massive nickel mines of Sudbury in the north. Due to its geography, the bulk of the province's nearly \$2 billion natural resources industry falls within this district. Much of the bank's business is carried out in relatively remote northern mining areas which sometimes necessitates travel by light aircraft. With its impressive economic possibilities, Ontario's claim as the "province of opportunity" is supported by the growing scope of the Royal's Ontario operation.



Social Responsibility

What these five men have in common, of course, is excellence, the unwillingness to settle for nothing less than the best achievement possible. Stimulation of Canadians' regard for excellence is an important objective of the Award program.

In the context of our social responsibility, I might also mention a program undertaken by us during last summer, in which we paid the salaries of 170 students working — not for the bank — but for local social and community agencies across the country. In this way, we were able to provide summer employment for students and, in the bargain, the communities affected benefited by getting some jobs done which otherwise would not have been undertaken.

I would also like to refer briefly to our newly launched consumer education program, in which we are providing information and teaching resource materials on personal and family money management and wise credit use. Designed for the general public, but with particular emphasis on young people, the program includes a 40-page booklet for consumers, a kit of teaching aids for high school teachers and a number of short films designed to stimulate discussion in classrooms and in community groups. We believe these materials will make a valuable contribution towards filling a very real gap and help Canadians approach their personal and family money management problems with more knowledge and understanding. This is another way, we think, of being "the helpful bank" and of assisting our staff to give reality to this advertising phrase.

When reporting to the shareholders annually, it always concerns me to think that one of our greatest assets does not appear on the balance sheet. I refer, of course, to our staff of 24,000 men and women. We are aware that social values are changing rapidly, that the needs of people are becoming increasingly complex and that success today must be measured in qualitative as well as quantitative terms. So I feel it is important to emphasize that we intend to remain an organization in which personal ability, technical skill and initiative combine to produce not only success for the organization but fulfilment of each staff member's potential.

A broader range of services and more calls for assistance from a growing number of customers make heavy demands on our staff. Their response has been splendid. Our commitment to them can be simply stated. It is to endeavor to provide meaningful, challenging work, programs of job enrichment, training and education, opportunities for promotion based on ability, and compensation at least equal to and often higher than that paid by other large, progressive Canadian industries. To all

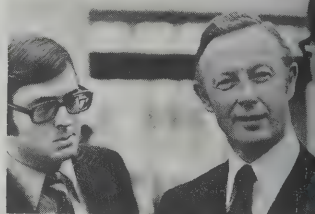
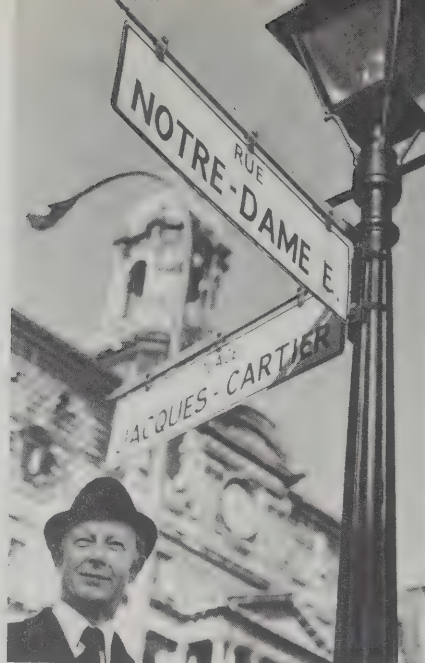
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... In Quebec, New Brunswick and Eastern Ontario,
T.S. Dobson, District General Manager, Montreal.

Montreal, inland seaport and gateway of the St. Lawrence Seaway, major financial centre and second largest French speaking city of the world... Ottawa, the nation's capital... New Brunswick with its base metals and pulpwood forests... Manicouagan, North America's biggest hydro electric installation... these are highlights of the vast and complex district headed by Mr. Dobson. The largest administrative district in Canada, it is the meeting point of the nation's two cultures, French and English. Here the need to understand the people and economy is perhaps more pronounced than in any other district. This is the challenge for Mr. Dobson as he utilizes the Royal's experience in this unique and diversified district.



The encouragement of Canada's international corporations in their efforts to expand world trade is of the greatest national importance and of the highest priority. Any measures which inhibit these efforts are to be deplored, particularly in view of the fact that current proposals run counter to the patterns being set by other developed nations.

It is contended that stiffer laws are needed to ensure that Canadian-based firms do not escape taxes by exploiting foreign tax havens. But such stiffer Canadian taxation could result in raising the effective tax cost of their foreign affiliates in so-called tax havens engaged in bonafide business operations, preventing them from competing on equal terms with the affiliates of corporations of other countries not so penalized.

The whole question of international fiscal matters is very complex and care should be taken not to hamper the progress of Canadian international firms when they are already faced with other major problems in international markets.

Corporate citizenship and corporate social responsibility are increasingly of concern to business leaders as they are to us in the Royal Bank. The question is a complex one worthy of extended discussion, but suffice it to say here that we at the Royal have over the years become increasingly aware of our social responsibility and that our concept of it has widened, as has that of the public at large. Donations to worthy causes are no longer sufficient — there are needs in our society which call for effort from those competent to fill them.

Over the years, accordingly, we have done some things which we believed needed doing. One example is the Royal Bank Award instituted in Canada's Centennial Year. This award is granted annually by the bank to a Canadian or Canadians who, in the opinion of an independent selection committee, have made outstanding contributions to the common good. Last year, the Award went to Vancouver architect Arthur Erickson, who was the fifth to be so recognized. The others were neurosurgeon Dr. Wilder Penfield; Dr. C.J. Mackenzie, who presided over Canada's "coming of age" in scientific research; His Eminence Paul-Emile Cardinal Leger, formerly Archbishop of Montreal and now chaplain of a leper colony in Africa; and novelist Morley Callaghan.

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our staff in Canada and abroad, I express our heartfelt thanks, knowing that they are as proud of the year's accomplishments as we are.

The other members of the "Royal Bank Family" to whom thanks are due are, of course, our 32,200 shareholders. Of these, eight out of ten are individuals, and eight out of ten are also Canadian residents. To those of you who may have joined our ranks since the last meeting I extend the warmest of welcomes and to all shareholders I extend the assurance that your interest and support is highly valued by the bank's management and staff. Your comments and suggestions throughout the year will be appreciated, as will any new business you may have the opportunity to direct our way.

So far, I have dealt with past and present events. My optimism for the future is based on our tradition of service and adaptability, along with the confidence which customers, shareholders, directors and employees have demonstrated in our bank. These form a vital base which will help us to meet the challenges ahead and enable us to fulfil the demanding role which we intend to play throughout the world.

SOURCES OF THE 1971 REVENUE DOLLAR

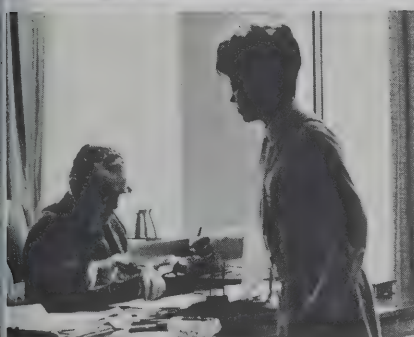
76.10%	Income from Loans
13.72%	Income from Securities
10.18%	Other Operating Revenue

The Income Dollar: where it came from . . . and where it went

Insight into the patterns of our business is provided by analysis of the sources of the bank's revenue dollar, and of the ways in which it was shared by depositors, employees, suppliers of goods and services, governments and shareholders. The chart illustrating distribution of the revenue dollar shows that our largest expense items were interest on deposits, and salaries, pension contributions and other staff benefits. Property and other operating expenses accounted for less than 14% of total revenue. About 8 cents of the revenue dollar went to governments in income taxes, which represented 50% of balance of revenue. Our shareholders received 3.4 cents of the revenue dollar, about 33% of pre-tax net profit — but almost 66% of the profit available, after taxes were provided for.

DISTRIBUTION OF THE 1971 REVENUE DOLLAR

51.83%	Interest Paid on Deposits
19.05%	Salaries, Pension Contributions and Other Staff Benefits
5.18%	Property Expenses
7.86%	Other Operating Expenses
3.08%	Appropriation for Losses
7.96%	Provision for Income Taxes
3.35%	Dividends Paid
1.69%	Retained Earnings



*In Nova Scotia, Prince Edward Island and Newfoundland,
J.J. Fortune, District General Manager, Halifax.*

An area traditionally involved in primary industry — fishing, farming, forestry and mining — the Atlantic region has recently made great strides in attracting a growing new manufacturing base. Halifax's year-round deep water harbor has made it one of the country's leading container shipping centres and an important gateway for Canada's world trade. As head of this district, Mr. Fortune helps put the bank's resources to work to further the growth of the area.



ALEXANDRIA • ALICE TOWN • ALIX • ALMA • ALMONTE
 ARNPRIOR • ARTHUR • ARVIDA • ATIKOKAN
 QUILLA • BARRIE • BARRINGTON PASSAGE • BASHAW
 BEISEKER • BELIZE CITY • BELLEVILLE • BELLEVUE
 BLACK ROCK • BLACKSTOCK • BLAIRMORE • BLIND RIVER
 BROCKVILLE • BROOKS
 CACHÉ CREEK • CADILLAC • CALEDON • CALGARY • CALI
 ARGILL • CARLETON PLACE • CARLYLE • CARROT RIVER
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 CORNWALL • CORNWALLIS • CORUNNA • COURTENAY
 E • DALHOUSIE • DALHOUSIE STATION • DALLAS • DANA
 STER • DORVAL • DRAYTON • DRAYTON VALLEY
 • EATONIA • EDMONTON • EDMUNDSTON • ELKFORD
 • ETHELBERT • EVANSBURG • EYEBROW • FAIRVIEW
 FORT GARRY • FORT LANGLEY • FORT McMURRAY
 BAY • GAGNON • GALT • GANDER • GEORGETOWN
 RIE • GRAND FALLS • GRAND VALLEY • GRAVENHURST
 • HANLEY • HANMER • HANNA • HANOVER
 WORTH • HIGH PRAIRIE • HIGH RIVER • HILLSBURG
 AD • INGERSOLL • INGLEWOOD • INNISFAIL • INVERMAY
 MANO • KENOGAMI • KENORA • KENTVILLE • KERROBERT
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 AMINGTON • LEASK • LEDUC • LEMBERG • LENNOXVILLE
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 MANOTICK • MAO • MAPLE RIDGE • HANEY • MARACAIBO
 MELVILLE • MERRICKVILLE • METCALFE • METEGHAN
 AGNY • MONTRÉAL • MONTREAL EAST • MONTRÉAL-EST
 IVILLE • MORSE • MOUNT BRYDGES • MOUNT ROYAL
 JEUSTADT • NEW AMSTERDAM • NEWBORO • NEWBURY
 WINSTER • NEW YORK • NIAGARA FALLS • NIPAWIN
 KVILLE • ODESSA • OGEMA • OKOTOKS • OLIVER
 • PAKENHAM • PARIS • PARKSVILLE • PARRSBORO
 PLACENTIA • PLANTAGENET • PLASTER ROCK • PLENTY
 PORT AU-PRINCE • PORT-CARTIER • PORT COLBORNE
 OF SPAIN • PORT PERRY • PORTER'S LAKE • PORTLAND
 ÉBEC • QUESNEL • RAPID CITY • RAWDON • RAYMORE
 KI • RIO DE JANEIRO • RIPLEY • RIVERS • RIVIERE CASSÉE
 • RUIMVEDLT • RUSSELL • RUTLAND • STE-ADÈLE
 AMES-ASSINIBOIA • ST-JEAN • ST-JÉRÔME • ST. JOHN
 S • ST. STEPHEN • STE-THÉRÈSE • ST. THOMAS • ST-VITAL
 LEROS • SANTO DOMINGO • SANTOS • SANTURCE
 • SHARBOT LAKE • SHAUNAVON • SHAWINIGAN
 LAKE • SMITHERS • SMITHS FALLS • SMITHVILLE
 • SPIRIT RIVER • SPRINGFIELD • SPRINGLANDS
 CKE • STITTSVILLE • STONEY CREEK • STRASBOURG
 S • SWAN RIVER • SWIFT CURRENT • SYDENHAM
 ONBURG • TIMMINS • TISDALE • TOKYO • TOLEDO
 VANCOUVER • VANDERHOOF • VANDORF • VANGUARD
 ORTH • WASAGAMING • WASKADA • WATERDOWN
 IVER • WESTVILLE • WETASKIWIN •
 ESTER • WINDSOR • WINDTHORST •

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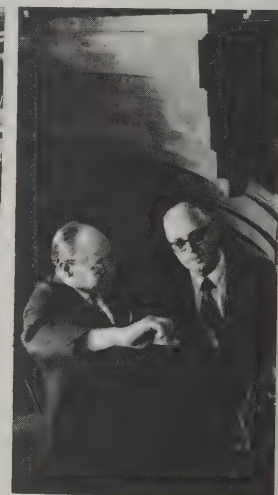
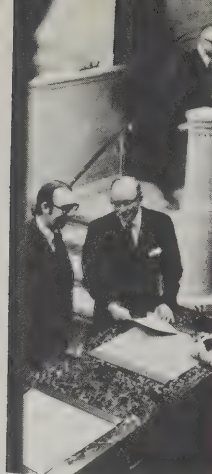
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Photography Alan Bowering

The Royal's approach to the distinctive character of Canada's many regions is eight decentralized districts headed by very senior executive officers. It is their responsibility to see that, within broad policies governing overall operations, services are adapted to the needs of customers, large or small, and to the special geographic, economic and social conditions which prevail in each area.

This decentralization permits Royal bankers in the field to function with flexibility, speed and full knowledge of local developments and needs.

EY • ABBOTSFORD • ADELAIDE • AJAX • ALDERGROVE • ALEXANDRIA • ALICE TOWN • ALIX • ALMA • ALMONTE
 LEY • ARCOLA • ARGENTIA • ARICHAT • ARIMA • ARNPRIOR • ARTHUR • ARVIDA • ATIKOKAN
 A • BALCARRES • BALDUR • BARONS • BARRANQUILLA • BARRIE • BARRINGTON PASSAGE • BASHAW
 USÉJOUR • BEDFORD • BEETON • BEIRUT • BEISEKER • BELIZE CITY • BELLEVILLE • BELLEVUE
 SCARTH • BIRTLE • BLACKIE • BLACK LAKE • BLACK ROCK • BLACKSTOCK • BLAIRMORE • BLIND RIVER
 NTFORD • BRENTWOOD BAY • BRIDGETOWN • BRIDGEWATER • BRITANNIA BEACH • BROCKVILLE • BROOKS
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 -DE-LA-MADELEINE • CARACAS • CARDSTON • CARGILL • CARLETON PLACE • CARLYLE • CARROT RIVER
 RLOTTETOWN • CHASE • CHATHAM • CHATEAUGUAY • CHELMSFORD • CHÉTICAMP • CHIBOUGAMAU
 RKSON • CLEARBROOK • CLEARWATER • CLIFFORD • CLIMAX • CLINTON • CLOVERDALE • COATICOOK
 KSTOWN • COQUITLAM • CORNER BROOK • CORNWALL • CORNWALLIS • CORUNNA • COURTENAY
 DAD BOLIVAR • CUMBERLAND • CUPAR • CUT KNIFE • DALHOUSIE • DALHOUSIE STATION • DALLAS • DANA
 BEAU • DOLLARD-DES-ORMEAUX • DORCHESTER • DORVAL • DRAYTON • DRAYTON VALLEY
 INVILLE • DURHAM • DUTTON • EAST KILDONAN • EATONIA • EDMONTON • EDMUNDSTON • ELKFORD
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 DERICKSON JUNCTION • FREEPORT • FROBISHER BAY • GAGNON • GALT • GANDER • GEORGETOWN
 JOSE AIRPORT • GOVAN • GRANBY • GRANDE PRAIRIE • GRAND FALLS • GRAND VALLEY • GRAVENHURST
 IFAX • HALKIRK • HAMILTON • HAMIOTA • HANLEY • HANMER • HANNA • HANOVER
 RIVER • HAZELTON • HEART'S CONTENT • HEPWORTH • HIGH PRAIRIE • HIGH RIVER • HILLSBURG
 ITER RIVER • HUNTSVILLE • IMPÉRIAL • INDIAN HEAD • INGERSOLL • INGLEWOOD • INNISFAIR • INVERMAY
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 YDMINSTER • LOCKEPORT • LONDON • LONDRES • LONGUEUIL • LOS ANGELES • LOUISBOURG • LUMSDEN
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 OSOMIN • MORDEN • MORIN HEIGHTS • MORINVILLE • MORSE • MOUNT BRYDGES • MOUNT ROYAL
 ANEE • NASSAU • NAVAN • NELSON • NEUDORF • NEUSTADT • NEW AMSTERDAM • NEWBORO • NEWBURY
 /RICHMOND • NEW WATERFORD • NEW WESTMINSTER • NEW YORK • NIAGARA FALLS • NIPAWIN
 ITH VANCOUVER • NORWOOD • OAK BAY • OAKVILLE • ODESSA • OGEMA • OKOTOKS • OLIVER
 REMONT • OWEN SOUND • OXBOW • PAISLEY • PAKENHAM • PARIS • PARKSVILLE • PARRSBORO
 YSON • PINCHER CREEK • PINCOURT • PINE FALLS • PLACENTIA • PLANTAGENET • PLASTER ROCK • PLENTY
 TEIX • PORTAGE LA PRAIRIE • PORT ALBERNI • PORT-AU-PRINCE • PORT-CARTIER • PORT COLBORNE
 T HOPE • PORT LAMBTON • PORT MOODY • PORT OF SPAIN • PORT PERRY • PORTER'S LAKE • PORTLAND
 RTO ORDAZ • PUERTO PLATA • QU'APPELLE • QUÉBEC • QUESNEL • RAPID CITY • RAWDON • RAYMORE
 IMOND HILL • RIDGETOWN • RIDGEWAY • RIMOUSKI • RIO DE JANEIRO • RIPLEY • RIVERS • RIVIÈRE CASSÉE
 ENEATH • ROSETOWN • ROUYN • ROXBORO • RUIMVEDLT • RUSSELL • RUTLAND • STE-ADÈLE
 GEORGES-DE-BEAUCE • SAINT-HYACINTHE • ST. JAMES-ASSINIBOIA • ST-JEAN • ST-JÉRÔME • ST. JOHN
 RÉMI • STE-ROSE-DU-LAC • ST-SAUVEUR-DES-MONTS • ST. STEPHEN • STE THÉRÈSE • ST. THOMAS • ST-VITAL
 PEDRO DE MACORIS • SANTIAGO DE LOS CABALLEROS • SANTO DOMINGO • SANTOS • SANTURCE
 HELT • SELKIRK • SEPT-ÎLES • SEXSMITH • SHARBOT LAKE • SHAUNAVON • SHAWINIGAN
 NEY • SIMCOE • SIOUX NARROWS • SLAVE LAKE • SMITHERS • SMITHS FALLS • SMITHVILLE
 RWOOD • SPEIGHTSTOWN • SPENCERVILLE • SPIRIT RIVER • SPRINGFIELD • SPRINGLANDS
 PHENVILLE • STETTLER • STEVESTON • STEWIAKKE • STITTSVILLE • STONEY CREEK • STRASBOURG
 IDRIDGE • SURREY • SUSSEX • SWAN HILLS • SWAN RIVER • SWIFT CURRENT • SYDENHAM
 ROLD • THREE HILLS • THUNDER BAY • TILLSONBURG • TIMMINS • TISDALE • TOKYO • TOLEDO
 E VALLEY • VAL CARON • VAL D'OR • VALLEYFIELD • VANCOUVER • VANDERHOOF • VANDORF • VANGUARD
 LACEBURG • WALTON • WAPELLA • WARKWORTH • WASAGAMING • WASKADA • WATERDOWN
 STMOUNT • WEST PUBNICO • WEST VANCOUVER • WESTVILLE • WETASKIWIN •
 RTON • WILKIE • WILLIAMS LAKE • WINCHESTER • WINDSOR • WINDTHORST •

Statement of Revenue, Expenses and Undivided Profits

	Year Ended October 31 1971	Year Ended October 31 1970
REVENUE		
Income from loans	\$ 664,347,737	\$ 686,321,816
Income from securities	119,775,696	111,953,617
Other operating revenue	88,953,171	85,434,236
Total Revenue	\$ 873,076,604	\$ 883,709,669
EXPENSES		
Interest on deposits and bank debentures	\$ 452,539,578	\$ 487,885,041
Salaries, pension contributions and other staff benefits	166,342,265	150,509,060
Property expenses, including depreciation	45,234,946	41,146,864
Other operating expenses, including provision for losses on loans based on five year average loss experience	68,577,763	59,888,361
Total Expenses	\$ 732,694,552	\$ 739,429,326
Balance of revenue	\$ 140,382,052	\$ 144,280,343
Appropriation for losses (note 2)	52,430,000	51,360,000
Balance of profits before income taxes	\$ 87,952,052	\$ 92,920,343
Provision for income taxes relating thereto	43,900,000	48,300,000
Balance of profits for the year (per share 1971—\$1.32; 1970—\$1.34)	\$ 44,052,052	\$ 44,620,343
Dividends (per share 1971— 88¢; 1970— 86¢)	29,272,320	28,607,040
Amount carried forward	\$ 14,779,732	\$ 16,013,303
Undivided profits at beginning of year (note 3)	3,535,874	1,484,084
Transferred to Rest Account	\$ 18,315,606	\$ 17,497,387
	15,000,000	16,000,000
Undivided profits at end of year	\$ 3,315,606	\$ 1,497,387

Statement of Assets

ASSETS	October 31 1971	October 31 1970
Cash and due from banks	\$ 2,690,068,544	\$ 2,447,942,996
Cheques and other items in transit, net	313,299,117	200,909,973
Total Cash Resources	\$ 3,003,367,661	\$ 2,648,852,969
Securities issued or guaranteed by Canada, at amortized value	\$ 1,692,518,091	\$ 1,429,862,866
Securities issued or guaranteed by provinces, at amortized value	57,464,812	47,876,544
Other securities, not exceeding market value	508,872,102	397,897,558
Total Securities	\$ 2,258,855,005	\$ 1,875,636,968
Day, call and short loans to investment dealers and brokers, secured	\$ 338,294,826	\$ 513,133,344
Other loans, including mortgages, less provision for losses	6,635,619,087	5,652,880,072
Total Loans	\$ 6,973,913,913	\$ 6,166,013,416
Bank premises at cost, less amounts written off	\$ 117,345,659	\$ 96,814,727
Securities of and loans to corporations controlled by the bank	112,542,490	86,528,086
Customers' liability under acceptances, guarantees and letters of credit, as per contra	480,482,940	479,103,213
Other assets	7,070,430	15,673,674
	\$ 12,953,578,098	\$ 11,368,623,053

Assets and Liabilities

LIABILITIES	October 31 1971	October 31 1970
Deposits by Canada	\$ 208,518,909	\$ 65,644,719
Deposits by provinces	355,762,146	320,082,168
Deposits by banks	1,384,554,632	1,169,094,531
Personal savings deposits payable after notice, in Canada, in Canadian Currency	4,199,463,121	3,813,194,184
Other deposits	5,624,002,387	4,935,195,918
Total Deposits	\$ 11,772,301,195	\$ 10,303,211,520
Acceptances, guarantees and letters of credit	\$ 480,482,940	\$ 479,103,213
Other liabilities	31,757,181	34,818,167
Total Sundry Liabilities	\$ 512,240,121	\$ 513,921,380
Accumulated appropriations for losses	\$ 186,193,176	\$ 160,464,766
Debentures issued and outstanding (note 4)	\$ 75,000,000	—
Capital stock:		
Authorized—50,000,000 shares of \$2 each <u>\$100,000,000</u>		
Issued and fully paid—33,264,000 shares	\$ 66,528,000	\$ 66,528,000
Rest Account	338,000,000	323,000,000
Undivided profits	3,315,606	1,497,387
Total Shareholders' Equity	\$ 407,843,606	\$ 391,025,387
	\$ 12,953,578,098	\$ 11,368,623,053

W. EARLE McLAUGHLIN, / J. K. FINLAYSON,
Chairman and President / Vice-President and Chief General Manager

Statement of Accumulated Appropriations for Losses

(Bracketed amounts are deductions)

	Year Ended October 31 1971	Year Ended October 31 1970
ACCUMULATED APPROPRIATIONS AT BEGINNING OF YEAR		
General appropriations	\$ 116,634,889	\$ 119,973,506
Tax-paid appropriations	43,829,877	29,759,592
Total	\$ 160,464,766	\$ 149,733,098
Appropriation from current year's operations	\$ 52,430,000	\$ 51,360,000
Loss experience on loans for the year, less provision for losses (included in other operating expenses) based on five year average loss experience	(4,752,312)	(5,037,441)
Profits and losses on securities, including provisions to reduce securities other than those of Canada and the provinces to values not exceeding market	5,252,686	(7,498,280)
Other profits, losses and non-recurring items, net	(1,601,964)	(1,392,611)
Provision for income taxes	(25,600,000)	(26,700,000)
ACCUMULATED APPROPRIATIONS AT END OF YEAR		
General appropriations	\$ 112,107,621	\$ 116,634,889
Tax-paid appropriations	74,085,555	43,829,877
Total	\$ 186,193,176	\$ 160,464,766

Statement of Rest Account

	Year Ended October 31 1971	Year Ended October 31 1970
Balance at beginning of year	\$ 323,000,000	\$ 307,000,000
Transferred from undivided profits	15,000,000	16,000,000
Balance at end of year	\$ 338,000,000	\$ 323,000,000

Notes to Financial Statements

1. The financial statements include the results of operations, and the assets and liabilities of the following subsidiaries of the Bank:

The Royal Bank of Canada (France)
The Royal Bank of Canada (Middle East) S.A.L.
The Royal Bank of Canada International Limited and subsidiaries

2. Under revised rules issued by the Minister of Finance in September 1969 prescribing the maximum level of accumulated general appropriations for losses, these appropriations for losses are not allowable as deductions in the determination of taxable income. The provisions for income taxes relating thereto have been charged to the accumulated appropriations for losses.
3. The undivided profits at the beginning of the year ended October 31, 1971 have been adjusted to include the undivided profits (\$2,038,487) of subsidiaries whose earnings were not previously consolidated.
4. The debentures bear interest at 7% per annum and are due on April 15, 1991 subject to the right of the holder of any debenture to elect that such debenture mature on April 15, 1977. Such election may be made only after April 15, 1976 and prior to October 15, 1976.

Auditors' Report

To the Shareholders, The Royal Bank of Canada:

We have examined the statement of assets and liabilities of The Royal Bank of Canada as at October 31, 1971 and the related statements of revenue, expenses and undivided profits and accumulated appropriations for losses for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these statements present fairly the financial position of the Bank as at October 31, 1971 and its revenue, expenses and undivided profits and its accumulated appropriations for losses for the year then ended.

Montreal, November 26, 1971

G. MEREDITH SMITH, C.A.
of Touche Ross & Co.

HAROLD S. MOFFET, C.A.
of Deloitte, Haskins & Sells

Auditors

Statements of Assets and Liabilities of Controlled Corporations

THE ROYAL BANK OF CANADA TRUST COMPANY (Incorporated under the laws of the State of New York)

Statement as at October 31, 1971 (In U.S. Dollars)

ASSETS		LIABILITIES	
Cash in banks	\$ 5,862,868	Deposits, demand	\$ 56,114,798
United States Government securities, at amortized value	5,963,966	Deposits, time	25,622,936
Other securities, at amortized value	48,719,682	Deposits by banks	1,119,556
Loans and discounts	36,323,486	Letters of credit	5,448,215
Real estate, building and equipment, at cost less accumulated depreciation	621,844	Other liabilities	555,700
Customers' liability under letters of credit	5,448,215	Capital stock fully paid (100,000 shares of \$100 each)	10,000,000
Other assets	1,312,471	Surplus Fund	1,501,000
		Undivided profits	3,890,327
	\$104,252,532		\$104,252,532

NOTES: (1) The Royal Bank of Canada owns the entire capital stock of The Royal Bank of Canada Trust Company with the exception of the directors' qualifying shares. This investment is carried on the books of the Bank at U.S. \$9,991,000.

(2) Under New York Banking Law the Surplus Fund is not available for the payment of dividends. The Fund must be built up to 65% of Capital Stock and until this has been accomplished transfers of not less than 10% of each year's net income must be made to the Fund.

GLOBE REALTY CORPORATION, LIMITED (Incorporated under the laws of Canada)

and its wholly owned subsidiary company

Globe Building Corporation

Condensed Consolidated Statement as at October 31, 1971 (In Canadian Dollars)

ASSETS		LIABILITIES	
Cash in bank	\$ 39,151	Accounts payable and other liabilities	\$ 195,916
Balance due on sale of property	900,000	The Royal Bank of Canada	18,950,982
Real estate, buildings and equipment, at cost less accumulated depreciation (note 2)	37,617,178	First mortgage bonds: Series C, 1972-1975 (\$500,000 due August 1, 1972)	2,500,000
Other assets	19,749	Capital stock fully paid (40,320 shares of \$100 each)	4,032,000
		Surplus	12,897,180
	\$38,576,078		\$38,576,078

NOTES: (1) The Royal Bank of Canada owns the entire capital stock of Globe Realty Corporation, Limited. This investment is carried on the books of the Bank at \$1,614,000.

(2) In accordance with agreements providing for the leasing of certain lands to third parties, Globe Realty Corporation, Limited has pledged lands having a cost of \$8,655,847 as part of the security for mortgages arranged by the third parties on the properties. The terms of the agreements provide that buildings on these lands become the property of the Corporation at the expiration of the leases.

Controlled Corporations (continued)

THE ROYAL BANK OF CANADA TRUST CORPORATION LIMITED (Incorporated under the laws of Great Britain)

Statement as at September 30, 1971 (In Sterling)

ASSETS		LIABILITIES	
Cash in bank	£ 4,288,426	Deposits	£ 4,053,923
Loans and advances	28,763,713	Accounts payable and other liabilities	108,300
Mortgage loans	374,207	The Royal Bank of Canada	29,606,431
Other assets	592,308	Capital stock fully paid (250,000 shares of £1 each)	250,000
	£34,018,654		£34,018,654

NOTE: The Royal Bank of Canada owns the entire capital stock of The Royal Bank of Canada Trust Corporation Limited. This investment is carried on the books of the Bank at £250,000.

ROYAL BANK TRUST COMPANY (WEST INDIES) LIMITED (Incorporated under the laws of the Bahama Islands) and its wholly owned subsidiary companies

Royal Bank Trust Company (Barbados) Limited

Royal Bank Trust Company (Cayman) Limited

Royal Bank Trust Company (Guyana) Limited

Royal Bank Trust Company (Jamaica) Limited

Royal Bank Trust Company (Trinidad) Limited

Consolidated Statement as at September 30, 1971 (In Bahamian Dollars)

ASSETS		LIABILITIES	
Cash in bank	\$ 1,684,844	Deposits	\$ 3,200,378
Mortgage loans	3,509,077	Accounts payable and other liabilities	154,041
Other assets	418,134	Capital stock fully paid (550,000 shares of \$2.86 each)	1,573,000
		Surplus (including capital contributions)	684,636
	\$5,612,055		\$5,612,055

NOTE: The Royal Bank of Canada owns the entire capital stock of Royal Bank Trust Company (West Indies) Limited (formerly West Indies Trust Corporation Limited). This investment is carried on the books of the Bank at B\$1,571,429.

Auditors' Report

To the Shareholders, The Royal Bank of Canada:

We have examined the statements of assets and liabilities of controlled corporations of The Royal Bank of Canada as at the dates indicated. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these statements present fairly the financial position of the corporations as at the dates indicated.

Montreal, November 26, 1971

G. MEREDITH SMITH, C.A.
of Touche Ross & Co.

HAROLD S. MOFFET, C.A.
of Deloitte, Haskins & Sells

Auditors

SASK • AMHERST • ANCASTER • ANDROS TOWN • ANEROID • ANNAPOLIS ROYAL • ANTIGONISH • APPIN
 JORRA • ATEC BASE • AYLMEYER • AYTON • AZUA • BADDECK • BAGOTVILLE • BAIE COMEAU
 SSANO • BASSETERRE • BATH • BATHURST • BAY RIDGES • BEACONSFIELD • BEAR RIVER • BEAUHARNOIS
 LS CORNERS • BELMOPAN • BELOEIL • BERTHIERVILLE • BERWICK • BEYROUTH • BIGGAR • BIG VALLEY
 GOTA • BOISSEVAIN • BOWMANVILLE • BRACEBRIDGE • BRADFORD • BRAMALEA • BRAMPTON • BRANDON
 UCE MINES • BRUNO • BRUSSELS • BRUXELLES • BUCTOUCHE • BUENOS AIRES • BURK'S FALLS
 MPBELLFORD • CAMPBELL RIVER • CAMPBELLTON • CAMROSE • CANDIAC • CANTERBURY
 RTAGENA • CASSIAR • CASTRIES • CHAMBLY • CHANDLER • CHAPLEAU • CHAPLIN • CHARLESBOURG
 ICAGO • CHICOUTIMI • CHILLIWACK • CHRISTIANSTED • CHURCHILL • CHURCH POINT • CLARKE'S HARBOUR
 BOURG • COCHRANE • COLLINGWOOD • COLWOOD • COMBER • CONCORD • CONQUEST • CONSORT
 WANSVILLE • CRAIK • CRANBERRY PORTAGE • CRANBROOK • CRESTON • CROFTON • CRYSLER • CRYSTAL CITY
 RTMOUTH • DAUPHIN • DAWSON CREEK • DEADMAN'S CAY • DELISLE • DELTA • DEVON • DIDSBURY • DIGBY
 RUMMONDVILLE • DRYDEN • DRYWOOD • DUBREUILVILLE • DUNCAN • DUNDAS • DUNMORE TOWN
 LIOTT LAKE • ELMIRA • ELMSDALE • ELMWOOD • ELROSE • ELSA • EMBRO • EMBRUN • ERICKSON • ERIN
 NWICK • FERGUS • FILLMORE • FISHERVILLE • FLIN FLON • FOAM LAKE • FOREMOST • FORT CHURCHILL
 RT ST. JAMES • FORT ST. JOHN • FORT SASKATCHEWAN • FRANCFORT • FRANKFURT • FREDERICTON
 ORGETOWN • GERALDTON • GIBBONS • GIBSON • GLACE BAY • GLENBORO • GODERICH
 RENVILLE • GRIMSBY • GUANICA • GUELPH • GULL LAKE • GUYSBOROUGH • HAGERSVILLE
 APPY VALLEY • HARRIS • HARRISTON • HARVEY STATION • HASTINGS • HATCHET BAY • HATO REY
 NES CREEK • HINTON • HOLDEN • HOLETOWN • HOLYROOD • HONG KONG • HOUSTON • HULL • HUMBOLDT
 VERNES • IRON BRIDGE • IROQUOIS • IROQUOIS FALLS • ITUNA • JOLIETTE • JONQUIÈRE • KAMLOOPS
 MBERLEY • KINBURN • KINCARDINE • KINGSTON • KINGSTOWN • KINGSVILLE • KINUSO • KIRKLAND
 DYSMITH • LA HAVE • LAKEFIELD • LAKEVIEW • LAMBETH • LANGLEY • LANGRUTH • LANIGAN • LA ROMANA
 THBRIDGE • LÉVIS • LIBERTY • LINCOLN • LINDEN • LINDSAY • LION'S HEAD • LIPTON • LISTOWELL • LIVERPOOL
 NENBURG • LUSELAND • LYFORD CAY • LYNDEN • MACKENZIE • MACKLIN • MAGGOTTY • MAITLAND
 ARKHAM • MARYFIELD • MASSEY • MAYAGUEZ • MAYPEN • McCREARY • MEADOW LAKE • MEDELLIN
 DDLE MUSQUODOBOIT • MIDDLETON • MIDLAND • MILDEN • MINIOTA • MINNEDOSA • MINTO • MISSION
 ONTRÉAL-NORD • MONTREAL NORTH • MONTREAL WEST • MONT-ROYAL • MOOREFIELD • MOOSEJAW
 MOUNT STEWART • MOUNT WRIGHT • MULGRAVE • MUSQUODOBOIT HARBOUR • NACKAWIC • NANAIMO
 WCASTLE • NEWDALE • NEW GERMANY • NEW GLASGOW • NEW HAMBURG • NEW LISKEARD • NEWMARKET
 PIGON • NOKOMIS • NORANDA • NORTH BATTLEFORD • NORTH BAY • NORTH GOWER • NORTH SYDNEY
 O MILE HOUSE • ORANGEVILLE • ORANGE WALK TOWN • ORILLIA • OSHAWA • OTTAWA • OTTERTON
 ACE RIVER • PEMBROKE • PENTICTON • PERDUE • PERTH • PETERBOROUGH • PICTOU • PIERREFONDS
 YMOUTH • POINTE-À-PIERRE • POINTE-À-PITRE • POINTE-AUX-TREMBLES • POINTE-CLAIRE • POINT FORTIN
 RT COQUITLAM • PORT D'ESPAGNE • PORT DOVER • PORT HARDY • PORT HAWKESBURY • PORT HOOD
 WELL RIVER • PRESCOTT • PRESTON • PRINCE ALBERT • PRINCE GEORGE • PRINCE RUPERT • PUERTO LA CRUZ
 CIFE • RED DEER • REDWATER • REGINA • RENFREW • REVELSTOKE • RICHIBUCTO • RICHMOND
 BERNAL • ROBLIN • ROCK ISLAND • ROCKWOOD • RODNEY • ROLAND • ROSEAU • ROSE HALL • ROSEMÈRE
 E-AGATHE-DES-MONTS • ST-BONIFACE • ST-BRUNO • ST. CATHARINES • ST-FÉLICIEN • STE-FOY • ST. GEORGE'S
 JOHN'S • ST-LAMBERT • ST-LAURENT • ST-LÉONARD • ST. MARY'S • ST-PAUL-L'ERMITE • ST. PETER'S
 CKVILLE • SALMON ARM • SAN FERNANDO • SAN FRANCISCO DE MACORIS • SAN IGNACIO • SAN JUAN
 O PAOLO • SARNIA • SASKATOON • SAUBLE BEACH • SAULT STE MARIE • SCARBOROUGH • SCOTLAND
 AWINIGAN LAKE • SHAWVILLE • SHELburne • SHERBROOKE • SHILO • SHOAL LAKE • SHUBENACADIE
 MOOTH ROCK FALLS • SNOW LAKE • SOMERSET • SOREL • SOURIS • SOUTHEY • SOUTH RIVER • SPANISH WELLS
 RUCE GROVE • SQUAMISH • STANDARD • STANN CREEK • STAYNER • STEINBACH • STELLA • STELLARTON
 RATFORD • STRATHMORE • STRATHROY • STREETSVILLE • STURGEON FALLS • SUDBURY • SUMMERSIDE
 DNEY • SYDNEY MINES • TELKWA • TERRACE • THAMESFORD • THE PAS • THETFORD MINES • THOMPSON
 RONTON • TOTTENHAM • TRANSCONA • TRENTON • TRINITY • TROIS-RIVIÈRES • TRURO • TURNER VALLEY
 RENNES • VERDUN • VERMILION BAY • VERNON • VICTORIA • VICTORIAVILLE • VILLE D'ANJOU • VISCOUNT
 WATERLOO • WATERVILLE • WATROUS • WAWA • WAWANESA • WAWOTA • WELLAND • WEST KILDONAN
 EYMOUTH • WHEATLEY • WHITBY • WHITEMOUTH • WHITE RIVER • WHITE ROCK • WHYCOCOMAGH
 INONA • WOLEVILLE • WOODBRIDGE • WOODSTOCK • YARMOUTH • YORKTON • YOUNG

Ten Year Statistical Review

(in thousands)

ASSETS AND LIABILITIES

	1971	1970	1969	1968
ASSETS				
Cash Resources	\$ 3,003,367	\$ 2,648,853	\$ 2,293,326	\$ 1,551,736
Securities	2,258,855	1,875,637	1,703,127	2,053,956
Loans including day loans	6,973,914	6,166,013	5,752,525	4,739,084
Bank premises (net)	117,346	96,815	93,286	90,009
Other assets	600,096	581,305	353,895	308,433
Total	\$12,953,578	\$11,368,623	\$10,196,159	\$8,743,218
LIABILITIES				
Deposits	\$11,772,301	\$10,303,212	\$ 9,308,225	\$7,955,074
Sundry liabilities	512,240	513,921	363,189	297,379
Accumulated appropriations for losses	186,193	160,465	149,733	130,670
Debentures	75,000	—	—	—
Shareholders' equity	407,844	391,025	375,012	360,095
Total	\$12,953,578	\$11,368,623	\$10,196,159	\$8,743,218
ACCUMULATED APPROPRIATIONS FOR LOSSES				
Accumulated appropriations at beginning of year	\$ 160,465	\$ 149,733	\$ 130,670	\$ 105,418
Additions (deductions) during year:				
Current year's appropriations#	\$ 52,430	\$ 51,360	\$ 36,580	\$ 30,271
Losses on loans under (over) 5-year average#	(4,752)	(5,037)	4,489	1,929
Profits and losses on securities#	5,252	(7,498)	(3,156)	(984)
Other profits and losses, (net)#	(1,602)	(1,393)	30	(5,964)
Provision for income taxes	(25,600)	(26,700)	(18,880)	—
Transfer to undivided profits	—	—	—	—
	\$ 25,728	\$ 10,732	\$ 19,063	\$ 25,252
Accumulated appropriations at end of year				
General appropriations	\$ 112,108	\$ 116,635	\$ 119,973	\$ 121,633
Tax-paid appropriations	74,085	43,830	29,760	9,037
Total	\$ 186,193	\$ 160,465	\$ 149,733	\$ 130,670

For space reasons, some statutory headings have been abbreviated or reworded but, in all such cases amounts correspond to those in annual statements where published.

1967	1966	1965 (11 months)	1964	1963	1962
\$ 1,256,322	\$ 1,156,260	\$ 927,694	\$ 1,103,669	\$ 916,376	\$ 748,451
1,731,833	1,465,476	1,485,321	1,665,262	1,697,116	1,584,430
4,402,748	4,025,025	3,852,617	3,243,257	2,934,237	2,682,294
84,141	76,987	70,776	65,486	60,012	56,927
304,615	306,347	325,022	244,012	188,412	133,343
\$ 7,779,659	\$ 7,030,095	\$ 6,661,430	\$ 6,321,686	\$ 5,796,153	\$ 5,205,445
\$ 7,028,815	\$ 6,304,215	\$ 5,921,645	\$ 5,655,230	\$ 5,191,490	\$ 4,673,708
297,370	293,980	319,149	252,049	204,586	143,798
105,418	94,165	90,374	90,087	82,217	76,695
—	—	—	—	—	—
348,056	337,735	330,262	324,320	317,860	311,244
\$ 7,779,659	\$ 7,030,095	\$ 6,661,430	\$ 6,321,686	\$ 5,796,153	\$ 5,205,445
\$ 94,165	\$ 90,374	\$ 90,087	\$ 82,217	\$ 76,695	\$ 67,935
\$ 7,813	\$ 8,701	\$ 5,826	\$ 9,501	\$ 6,253	\$ 5,829
3,895	2,323	(5,169)	(606)	(805)	4,407
667	(6,940)	525	(1,670)	1,805	(1,187)
(1,122)	(293)	(895)	645	269	(289)
—	—	—	—	(1,000)	—
—	—	—	—	(1,000)	—
\$ 11,253	\$ 3,791	\$ 287	\$ 7,870	\$ 5,522	\$ 8,760
\$ 97,566	\$ 86,873	\$ 83,283	\$ 83,007	\$ 75,420	\$ 70,019
7,852	7,292	7,091	7,080	6,797	6,676
\$ 105,418	\$ 94,165	\$ 90,374	\$ 90,087	\$ 82,217	\$ 76,695

Ten Year Statistical Review

(in thousands)

REVENUE, EXPENSES AND UNDIVIDED PROFITS

	1971	1970	1969	1968
REVENUE				
Income from loans	\$664,348	\$686,322	\$514,139	\$361,927
Income from securities	119,776	111,953	104,641	99,763
Other operating revenue	88,953	85,434	77,303	66,354
Total Revenue	\$873,077	\$883,709	\$696,083	\$528,044
EXPENSES				
Interest on deposits	\$452,540	\$487,885	\$348,403	\$232,319
Salaries, etc. #	166,342	150,509	138,394	115,861
Property expenses#	45,235	41,147	36,757	33,059
Other operating expenses#	68,578	59,888	52,199	44,610
Total Expenses	\$732,695	\$739,429	\$575,753	\$425,849
Balance of revenue	\$140,382	\$144,280	\$120,330	\$102,195
Appropriation for losses	52,430	51,360	36,580	30,271
Balance of profits before income taxes	\$87,952	\$92,920	\$83,750	\$71,924
Provision for income taxes	43,900	48,300	43,220	36,600
Balance of profits	\$44,052	\$44,620	\$40,530	\$35,324
Dividends	29,272	28,607	25,613	23,285
Amount carried forward	\$14,780	\$16,013	\$14,917	\$12,039
Undivided profits at beginning of year	3,536**	1,484	1,567	1,528
Transfer from accumulated appropriations for losses	—	—	—	—
	\$18,316	\$17,497	\$16,484	\$13,567
Transferred to Rest Account	15,000	16,000	15,000	12,000
Undivided profits at end of year	\$3,316	\$1,497	\$1,484	\$1,567
OTHER INFORMATION				
Net Earnings per share	\$1.32	\$1.34	\$1.22	\$1.06
Dividends per share	88¢	86¢	77¢	70¢
Number of Branches	1,366	1,312	1,264	1,241

*Adjusted for 5 for 1 share split in 1967.

**The undivided profits at the beginning of the year ended October 31, 1971 have been adjusted to include the undivided profits of subsidiaries whose earnings were not previously consolidated.

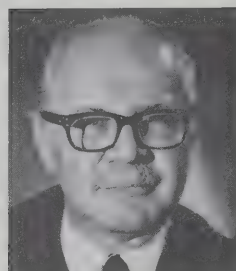
#For space reasons, some statutory headings have been abbreviated or reworded but, in all such cases amounts correspond to those in annual statements where published.

1967	1966	1965 (11 months)	1964	1963	1962
\$282,843	\$247,751	\$199,481	\$187,904	\$160,142	\$142,368
75,291	66,618	55,741	65,083	66,302	64,118
60,493	49,601	40,599	41,924	38,628	38,051
\$418,627	\$363,970	\$295,821	\$294,911	\$265,072	\$244,537
\$173,193	\$145,010	\$111,584	\$108,942	\$96,560	\$85,741
105,277	94,439	79,424	78,781	73,596	70,424
29,646	27,477	22,209	21,275	20,951	18,311
41,619	35,461	31,189	26,835	22,931	21,865
\$349,735	\$302,387	\$244,406	\$235,833	\$214,038	\$196,341
\$68,892	\$61,583	\$51,415	\$59,078	\$51,034	\$48,196
7,813	8,701	5,826	9,501	6,254	5,829
\$61,079	\$52,882	\$45,589	\$49,577	\$44,780	\$42,367
30,800	25,450	22,350	25,820	22,200	20,875
\$30,279	\$27,432	\$23,239	\$23,757	\$22,580	\$21,492
19,959	19,958	17,297	17,297	16,965	16,632
\$10,320	\$7,474	\$5,942	\$6,460	\$5,615	\$4,860
2,208	1,734	1,792	1,332	1,645	1,785
—	—	—	—	1,000	—
\$12,528	\$9,208	\$7,734	\$7,792	\$8,260	\$6,645
11,000	7,000	6,000	6,000	6,929	5,000
\$1,528	\$2,208	\$1,734	\$1,792	\$1,331	\$1,645
91¢	82¢*	70¢*	71¢*	68¢*	65¢*
60¢	60¢*	52¢*	52¢*	51¢*	50¢*
1,221	1,202	1,193	1,151	1,110	1,086



Annual meeting of shareholders, January, 1972

***Chairman and
President***



W. EARLE McLAUGHLIN
MONTREAL
*Chairman and President,
The Royal Bank of Canada*

***Deputy Chairman and
Executive
Vice-President***



JOHN H. COLEMAN
TORONTO
*Deputy Chairman and
Executive Vice-President,
The Royal Bank of Canada*

***Vice-President and
Chief General
Manager***



J. K. FINLAYSON
MONTREAL
*Vice-President and Chief
General Manager,
The Royal Bank of Canada*

Vice-President



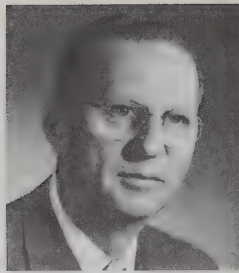
EDWIN C. McDONALD
NEW YORK
*Chairman of the Board,
The Royal Bank of Canada
Trust Company*

Vice-President

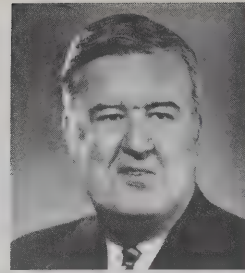


J. ANGUS OGILVY
Q. C.
MONTREAL
*Partner,
Ogilvy, Cope, Porteous,
Hansard, Marler,
Montgomery & Renault*

Directors



D. S. ANDERSON
TORONTO
Chairman and Chief Executive Officer,
Metro Centre Developments Limited



T. N. BEAUPRÉ
MONTREAL
Chairman of the Board and President,
Domtar Limited



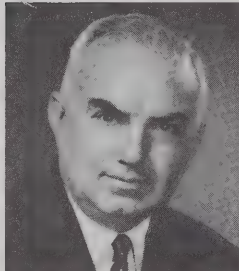
T. J. BELL,
M.C.
TORONTO
President and Chief Executive Officer,
Abitibi Paper Company Ltd.



G. H. BLUMENAUER
HAMILTON
Chairman and President,
Otis Elevator Company Limited



G. ALLAN BURTON,
D.S.O., E.D.
TORONTO
Chairman and Chief Executive Officer,
Simpsons, Limited



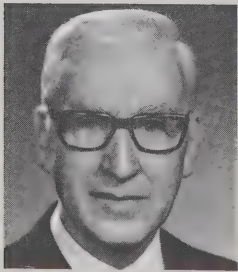
A. B. CHRISTOPHER
VANCOUVER
President,
Montrose Developments Ltd.



F. M. COVERT
O.B.E., D.F.C., Q.C.
HALIFAX
Partner,
Stewart, MacKeen & Covert



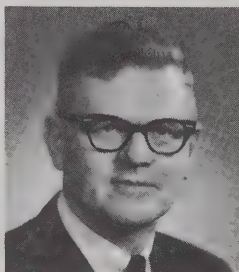
The Right Hon. LORD CROWTHER
LONDON, ENGLAND
Chairman,
The Economist Newspaper Ltd.



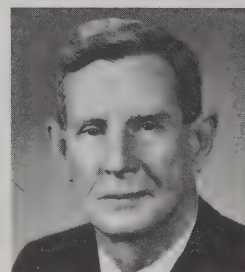
The Hon. PAUL DESRUISSEAU
Q.C.
SHERBROOKE, QUE.
Chairman,
Melchers Distilleries Limited



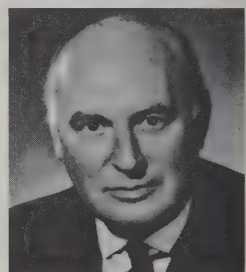
J. E. L. DUQUET
Q.C.
MONTREAL
Senior Partner,
Duquet, MacKay, Weldon, Bronstetter, Willis & Johnston



C. W. GIBBINGS
WINNIPEG
Commissioner,
The Canadian Wheat Board



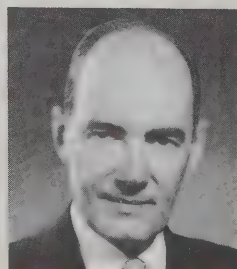
WILLARD G. GRANT
E.D.
PORT OF SPAIN, TRINIDAD
President,
T. Geddes Grant Limited



SIR CHARLES E. M. HARDIE
C.B.E.
LONDON, ENGLAND
Partner,
Dixon, Wilson & Company



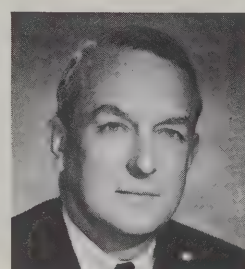
GEORGE HEFFELFINGER
WINNIPEG
President,
National Agri-Services Limited



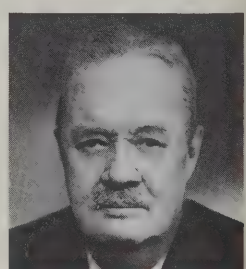
DAVID S. HOLBROOK
SAULT STE MARIE
Chairman and President,
The Algoma Steel Corporation, Limited



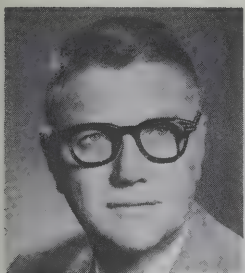
L. G. LUMBERS
TORONTO
Chairman of the Board,
Noranda Manufacturing Ltd.



P. L. P. MacDONNELL
Q.C.
EDMONTON
Partner,
Milner & Steer



J. C. MacKEEN
E.D., C.D.
HALIFAX
Chairman of the Board,
Nova Scotia Light & Power Co. Ltd.



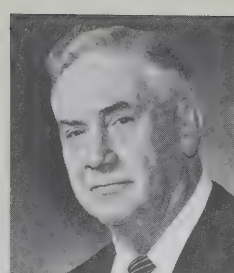
F. C. MANNIX
CALGARY
Director,
Loram Ltd.



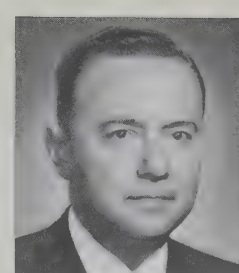
A. F. MAYNE
MONTREAL
Financial Consultant



T.R. McLAGAN
O.B.E.
MONTREAL
*Chairman of the Executive
Committee,*
Canada Steamship Lines Ltd.



F.M. McMAHON
LYFORD CAY, BAHAMAS
Company Director



J. P. MONGE
MONTREAL
*President and Chief Executive
Officer,*
Canadian International Paper
Company



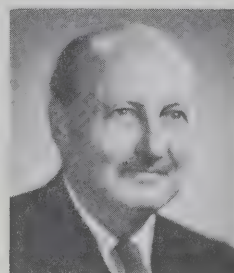
PAUL PARÉ
MONTREAL
President,
Imasco Limited



A. L. PENHALE
THETFORD MINES, QUE.
Vice-Chairman,
Asbestos Corporation Ltd.



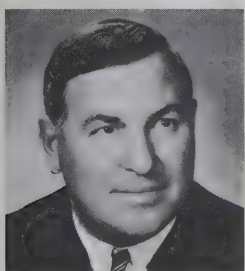
HERBERT C. PINDER
SASKATOON
President,
Saskatoon Trading Co. Ltd.



CARL A. POLLOCK
KITCHENER
Chairman and President,
Electrohome Limited



CLAUDE PRATTE
Q.C.
QUEBEC
Advocate



CHARLES I. RATHGEB
TORONTO
President,
Comstock International Ltd.



P. R. SANDWELL
VANCOUVER
Chairman,
Sandwell and Company
Limited



IAN D. SINCLAIR
MONTREAL
*President and Chief Executive
Officer,*
Canadian Pacific Limited



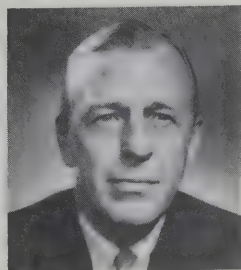
E.P. TAYLOR
C.M.G.
LYFORD CAY, BAHAMAS
Chairman,
The New Providence
Development Company
Limited



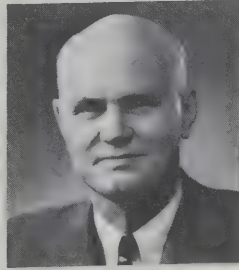
P. N. THOMSON
MONTREAL
Deputy Chairman,
Power Corporation of Canada
Limited



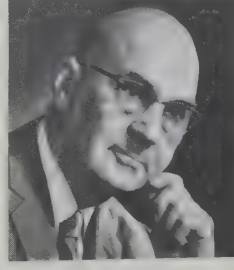
JOHN A. TORY
Q.C.
TORONTO
Partner,
Tory, Tory, DesLauriers &
Binnington



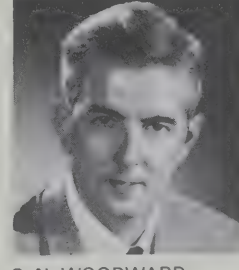
W. O. TWAITS
TORONTO
*Chairman and Chief
Executive,*
Imperial Oil Limited



COLIN W. WEBSTER
MONTREAL
Vice-Chairman,
Canadian Fuel Marketers Ltd.



EDWARD C. WOOD
MONTREAL
Chairman of the Board,
Genstar Limited



C. N. WOODWARD
VANCOUVER
Chairman of the Board,
Woodward Stores Ltd.



W. Earle McLaughlin J. K. Finlayson John H. Coleman



J. H. Cornish H. E. Wyatt B. J. McGill R. W. Shannon W. Moodie

Executive Officers

Chairman and President W. Earle McLaughlin

Deputy Chairman and Executive Vice-President John H. Coleman

Vice-President and Chief General Manager J. K. Finlayson

Vice-Presidents

J. M. Bankes (*Toronto*)

J. H. Cornish (*General Manager, Administration*)

R. C. Frazee (*Toronto*)

W. D. H. Gardiner (*District General Manager, Vancouver*)

B. J. McGill (*General Manager, International*)

W. Moodie (*General Manager, Loans and Investments*)

H. E. Wyatt (*General Manager, Canadian Districts*)

Senior General Manager

R. W. Shannon

Deputy General Managers

MONTREAL

J. E. Broadley

M. G. Clennett

G. S. Dinwoodie

T. S. Dobson

J. C. McMillan

J. E. Morgan

R. C. Paterson

J. W. Powell

R. A. Utting

AT OTHER LOCATIONS

G. B. Langley (*Toronto*)

H. E. McClenaghan (*Calgary*)

D. W. Morison (*Toronto*)

Assistant General Managers

MONTREAL

R. L. Arsenault

R. M. Cattell

D. S. Coombes

C. N. Downing

P. A. Fréchette

W. A. Gohl

A. G. Halliwell

N. H. P. Hardinge

H. S. Hardy

T. C. Heckman

A. D. Insley

L. M. Irvine

A. A. Johnson

B. M. Lamont

A. H. MacKenzie

J. A. Milburn

R. M. Mitchell

D. C. Morrison

C. O. Rochon

J. Scholes

P. J. Sharp

W. S. Snook

AT OTHER LOCATIONS

W. L. Arthur (*Toronto*)

R. B. Ashforth (*Vancouver*)

S. A. Cross (*Winnipeg*)

J. J. Fortune (*Halifax*)

W. D. Henry (*London*)

H. G. Hurd (*Regina*)

W. A. R. MacDonald (*Toronto*)

W. G. McPherson (*Toronto*)

M. O. P. Morrison (*Toronto*)

J. F. Smith (*Nassau*)

R. G. P. Styles (*London*)

A. de Takacsy (*Paris*)

A. R. Taylor (*Toronto*)

R. A. Thomas (*New York*)

E. K. Upstone (*Toronto*)

G. B. Wilson (*Toronto*)

Secretary

L. A. Taylor

Head Office Organization

Administration Division

J. H. Cornish, *Vice-President & General Manager*

J. C. McMillan, *Deputy General Manager*

M. G. Clennett, *Deputy General Manager*

Bank Premises

R. L. Arsenault, *Assistant General Manager*

M. J. Bartleman, *Supervisor*

N. Holloway, *Assistant Supervisor, Special Projects*

R. L. Spicer, *Assistant Supervisor*

W. T. Leslie, *Chief Architect*

E. J. Gilbert, *Chief Mechanical & Electrical Engineer*

Central Administration

C. G. MacKenzie, *Supervisor*

Control & Financial Planning

D. C. Morrison, *Assistant General Manager, Chief Accountant & Comptroller*

C. D. Bourns, *Supervisor, Financial Planning & Analysis*

W. M. Good, *Supervisor, Audit & Control*

G. L. Wright, *Supervisor, Accounting*

C. R. Barclay, *Assistant Comptroller*

D. N. L. Baylis, *Manager, Taxation*

Personnel

J. C. McMillan, *Deputy General Manager*

A. H. MacKenzie, *Assistant General Manager*

A. J. Bates, *Director, Personnel Relations*

W. C. Bull, *Director, Compensation & Organization*

H. C. Stewart, *Director, Employment & Manpower Planning*

W. E. McCullough, *Supervisor, Personnel — International*

Secretariat

L. A. Taylor, *Secretary*

Miss E. D. Kayser, *Assistant Secretary*

D. H. Shuttleworth, *Assistant Secretary*

W. H. Ancuta, *Manager — Legal*

Systems & Information Processing

C. N. Downing, *Assistant General Manager*

W. J. McCartney, *Assistant Supervisor, Central Planning and Control*

R. A. Zelmer, *Assistant Supervisor, Procedures and Records*

Application Development

R. Gazard, *Assistant Supervisor*

W. H. Gilbert, *Assistant Supervisor, Branch Systems*

P. J. A. Glynn, *Assistant Supervisor, Systems International*

F. H. Lablans, *Assistant Supervisor, Automated Customer Services*

C. M. Papion, *Assistant Supervisor, Management Science*

Information Processing

J. C. Grant, *Supervisor*

Canadian Districts Division

H. E. Wyatt, *Vice-President & General Manager*

T. C. Heckman, *Assistant General Manager*

J. A. Milburn, *Assistant General Manager*

P. J. Sharp, *Assistant General Manager*

W. R. Fithern, *Supervisor, Automated Customer Services*

D. C. Maltby, *Supervisor, Corporate Services Management*

W. G. Hart, *Assistant Supervisor*

International Division

B. J. McGill, *Vice-President & General Manager*

R. A. Utting, *Deputy General Manager*

A. A. Johnson, *Assistant General Manager*

Foreign Exchange

R. M. Mitchell, *Assistant General Manager*

Loans and Investments Division

W. Moodie, *Vice-President & General Manager*

Loans

G. S. Dinwoodie, *Deputy General Manager*

R. M. Cattell, *Assistant General Manager*

D. S. Coombes, *Assistant General Manager*

A. G. Halliwell, *Assistant General Manager*

E. D. Welland, *Supervisor, Consumer Credit*

R. M. Boak, *Assistant Supervisor, Loans*

Investments

R. C. Paterson, *Deputy General Manager*

G. B. Wilson, *Assistant General Manager, Money Market (Toronto)*

G. C. Aitken, *Supervisor, Underwriting & Trading (Toronto)*

W. P. Carter, *Supervisor, Investments (Mortgage Controller)*

J. F. E. Crabtree, *Assistant Supervisor, Corporate Securities*

P. M. Gaskin, *Assistant Supervisor, Mortgages*

G. P. Hanson, *Assistant Supervisor, Money Market (Toronto)*

Economic Research

J. A. Galbraith, *Director, Economic Research*

Inspection

A. H. Michell, *Chief Inspector*

Corporate Planning

J. E. Morgan, *Deputy General Manager*

Marketing and Public Relations

H. S. Hardy, *Assistant General Manager (Director of Marketing)*

D. Grier, *Manager, Public Relations*

W. L. Robinson, *Manager, Advertising & Sales Promotion*

Market Development

R. B. Robertson, *Supervisor (Canada)*

B. D. Champion, *Supervisor (International)*

Canadian Districts Organization

Nova Scotia, Prince Edward Island, Newfoundland

Halifax

J. J. Fortune, *District General Manager*
G. E. Lowe, *Supervisor, District Development*
J. E. Tipler, *Supervisor, Loans*
C. O. Sanford, *Assistant Supervisor, Loans*
F. J. Smith, *Assistant Supervisor, Administration*

Quebec, New Brunswick, Eastern Ontario

Montreal

T. S. Dobson, *District General Manager*
P. A. Fréchette, *Assistant General Manager, District Development*
W. A. Gohl, *Assistant General Manager, Loans*
L. M. Irvine, *Assistant General Manager, Administration*
C. O. Rochon, *Assistant General Manager, Loans*
G. A. Bellevue, *Supervisor Loans*
J. A. R. Dallaire, *Supervisor, Loans*
L. A. DeMary, *Supervisor, District Development*
J. J. H. Laviolette, *Supervisor, District Development*
G. W. Pope, *Supervisor, Personnel*
D. E. Sutherland, *Supervisor, Loans*
J. P. Giguère, *Assistant Supervisor, Loans*
R. K. Learmonth, *Assistant Supervisor, Loans*
W. J. McKay, *Assistant Supervisor, Loans*
E. O. Patterson, *Assistant Supervisor, Loans*
K. G. White, *Assistant Supervisor, Administration*

Ontario

Toronto and East

D. W. Morison, *District General Manager*
W. A. R. MacDonald, *Assistant General Manager, District Development*
E. K. Upstone, *Assistant General Manager, Loans*
G. R. Burns, *Supervisor, Loans*
A. E. Colling, *Supervisor, Loans*
M. R. Dinney, *Assistant Supervisor, Loans*
E. W. Latimer, *Assistant Supervisor, District Development*
J. M. Messer, *Assistant Supervisor, Loans*

West and North

G. B. Langley, *District General Manager*
W. G. McPherson, *Assistant General Manager, Loans*
M. O. P. Morrison, *Assistant General Manager, District Development*
H. R. McLean, *Supervisor, Loans*
J. M. Olver, *Supervisor, Loans*
K. W. Doupe, *Assistant Supervisor, Loans*
H. J. Sinclair, *Assistant Supervisor, District Development*
B. G. Wallace, *Assistant Supervisor, Loans*

Serving both districts

W. L. Arthur, *Assistant General Manager, Administration*
A. J. P. Joss, *Supervisor, Personnel*
M. B. Lambert, *Supervisor, Commercial-Industrial Development*
G. W. Wheeler, *Supervisor, Administration*
C. A. Grant, *Assistant Supervisor, Commercial-Industrial Development*
S. Smyth, *Assistant Supervisor, Bank Premises*

Manitoba

Winnipeg

S. A. Cross, *District General Manager*
R. T. Morris, *Supervisor, Loans*
V. M. Rice, *Supervisor, District Development*
J. C. Blackwell, *Assistant Supervisor, Loans*
G. R. Elliott, *Assistant Supervisor, Administration*

Saskatchewan

Regina

H. G. Hurd, *District General Manager*
D. F. W. Bruce, *Supervisor, Loans & Administration*
A. A. Fallis, *Supervisor, District Development*

Alberta

Calgary

H. E. McClenaghan, *District General Manager*
F. J. Sutherland, *Supervisor, Loans*
W. J. Yule, *Supervisor, District Development*
K. A. Campbell, *Assistant Supervisor, Administration*
W. D. Dobson, *Assistant Supervisor, Loans*
W. D. Squires, *Assistant Supervisor, Loans*

British Columbia

Vancouver

W. D. H. Gardiner, *Vice-President and District General Manager*
R. B. Ashforth, *Assistant General Manager*
E. J. Lovick, *Supervisor, Loans*
W. McFaul, *Supervisor, District Development*
N. D. Napier, *Supervisor, Loans*
D. C. Williamson, *Supervisor, Administration*
W. D. Anderson, *Assistant Supervisor, District Development*
E. P. Archibald, *Assistant Supervisor, Loans*
H. T. Botham, *Assistant Supervisor, Loans*
J. K. Ralfs, *Assistant Supervisor, Commercial-Industrial Development*

International Areas Organization

Europe, Africa and Asia

Montreal:

B. M. Lamont, *Area Executive*
J. V. Oram, *Regional Manager, Far East and Australasia*
A. Cravero, *Regional Officer, U.K. and Western Europe*
P. W. Todd, *Regional Officer, Africa, Middle East, Greece and Eastern Europe*

London:

W. D. Henry, *Regional Executive, U.K. and Scandinavia*

Paris:

A. de Takacsy, *Regional Executive, Western Europe*

Latin America and Caribbean

Montreal:

W. S. Snook, *Area Executive*
J. P. Hutchison, *Regional Manager, Caribbean*
T. H. Kennedy, *Regional Manager, Latin America*

Bogota:

J. H. Stech, *District Manager, Colombia*

Georgetown:

C. H. Anderson, *District Manager, Guyana*

Nassau:

C. W. Minard, *District Manager, Bahamas*
British Honduras & Cayman Islands

Port of Spain:

C. P. de Souza, *District Manager, The West Indies (except Jamaica)*

San Juan:

D. Michie, *District Manager, Puerto Rico & U.S. Virgin Islands*

Santo Domingo:

L. L. Street, *District Manager, Dominican Republic and Haiti*

U.S.A. and Canada (International)

Montreal:

J. E. Broadley, *Area Executive*
A. D. Insley, *Regional Executive, Western U.S.A.*
J. Scholes, *Regional Executive, Eastern U.S.A.*
F. G. Ballachey, *Regional Manager, Canada (International)*

New York:

R. A. Thomas, *Regional Executive, Metropolitan New York and Chief Agent*

Administration:

Montreal

E. A. Garrett, *Supervisor*

Commercial-Industrial Development

CANADA

Montreal, Que., Head Office, Place Ville Marie, Montreal

J. A. Milburn, *Assistant General Manager*

N. C. Bradshaw, *Special Representative*

D. L. Macquisten, *Assistant Supervisor*

Mrs. M. C. Burns, *Representative*

F. Lafleur, *Representative, Mergers & Acquisitions*

Montreal, Que., District General Manager's Dept.,
Place Ville Marie, Montreal

J. R. M. Rhéaume, *Assistant Supervisor & Manager*

C. A. Snell, *Associate Manager*

Toronto, Ont., District General Manager's Dept.,
20 King St. West, Toronto

M. B. Lambert, *Supervisor*

C. A. Grant, *Assistant Supervisor & Manager*

R. W. Brighton, *Representative*

J. R. M. Jobin, *Representative*

C. H. Macoun, *Representative*

D. F. Payne, *Representative*

J. G. Murray, *Manager, Mergers & Acquisitions*

Halifax, N.S., District General Manager's Dept., 5167 George St., Halifax
G. C. Fraser, *Manager*

Winnipeg, Man., District General Manager's Dept.,
220 Portage Avenue, Winnipeg

A. B. Reimer, *Manager*

Regina, Sask., c/o District General Manager's Dept.,
2001 — 11th Ave., Regina

Calgary, Alta., District General Manager's Dept.,
335 — 8th Ave. S. W., Calgary

R. G. Krueger, *Manager*

Vancouver, B.C., District General Manager's Dept.,
675 West Hastings St., Vancouver

J. K. Ralfs, *Assistant Supervisor & Manager*

G. A. Hack, *Associate Manager*

L. F. Sine, *Assistant Manager*

UNITED STATES OF AMERICA

New York, N.Y. 68 William St., New York 10005

I. R. Hastings, *Manager*

P. J. Hatt, *Assistant Manager*

W. A. McLeod, *Representative*

D. L. Sanderson, *Representative*

Chicago, Ill., 231 South LaSalle St., Room 1817, Chicago 60604

W. L. Pullen, *Resident Representative*

J. W. Haney, *Representative*

D. D. Stewart, *Representative*

Dallas, Texas, 333 North St. Paul St., Suite 3434, Dallas 75201

H. S. Nelson, *Resident Representative*

A. A. McArthur, *Representative*

Los Angeles, Cal., 510 West Sixth St., Suite 1221, Los Angeles 90014

R. C. A. Lafontaine, *Resident Representative*

M. E. Flaherty, *Representative*

Regional Representatives — Overseas

BELGIUM

Brussels, 12, rue du Bois Sauvage, Brussels

R. G. Laliberté

FRANCE

Paris, 3, rue Scribe, Paris

P. H. Hofmann

M. A. Nicolai

GERMANY

Frankfurt, Zurichhaus (Pavillon), Am Opernplatz 6, Frankfurt/Main

G. D. Loewen

HONG KONG

Hong Kong, No. 4 Des Voeux Road C. Room 303, P.O. Box 13302

W. H. Thompson

JAPAN

Tokyo, 602 Fuji Building, 2-3, 3 Chome, Marunouchi, Chiyoda-ku,
C.P.O. Box 1709, Tokyo

G. V. Wright

A. Tsuji

UNITED KINGDOM

London, Brewer's Hall, Aldermanbury Square EC2V 7HR

R. Waters, *Metropolitan London*

G. D. Gillespie, *U. K. & Scandinavia*

Special Services:

OIL AND GAS

Calgary, Alberta

R. D. Jensen, *Manager*

K. R. Kettlevell, *Petroleum Engineer*

Halifax, Nova Scotia

J. W. Salton, *Representative*

AGRICULTURE

Toronto, Ontario

G. W. Arnold, *Manager*

Winnipeg, Manitoba

D. H. McRorie, *Manager, Prairie Agricultural Department*

Calgary, Alberta

K. R. Sveinson, *Manager*

J. M. Proctor, *Assistant Manager*

Regina, Saskatchewan

J. L. Drew, *Manager*

MINING

Toronto, Ontario

G. L. Colborne, *Manager*

Vancouver, British Columbia

L. G. White, *Representative*

Subsidiary Banks

BAHAMAS

THE ROYAL BANK OF CANADA INTERNATIONAL LIMITED

Registered Office — Freeport, Grand Bahama
General Office — P.O. Box 1445, Nassau, N.P.
J. F. Smith, *President*

FRANCE

THE ROYAL BANK OF CANADA (FRANCE)

3, rue Scribe, Paris
A. de Takacsy, *President*

JAMAICA

THE ROYAL BANK JAMAICA LIMITED

P.O. Box 96, Kingston, Jamaica
H. N. Stewart, *Managing Director*

LEBANON

THE ROYAL BANK OF CANADA (MIDDLE EAST) S.A.L.

Imm. SFAH, Kantari Street, Beirut, P.O. Box 2520
R. W. Shannon, *President (Montreal)*
E. W. Brokes, *General Manager*

UNITED STATES

THE ROYAL BANK OF CANADA TRUST COMPANY

68 William St., New York 10005
R.A. Thomas, *President*
R.A. Lacey, *Vice-President & Trust Officer*
F. D. Du Vinage, *Assistant Vice-President*
N. M. Smith, *Assistant Vice-President*

Associated Banks & Organizations

AUSTRALIA

INVESTMENT & MERCHANT FINANCE CORP. LTD. (IMFC)

I.M.F.C. House, 33 King William Street, Adelaide, South Australia 5000
Rex J. Lipman, *Deputy Chairman & Managing Director*

BAHAMAS

ROYWEST BANKING CORPORATION LIMITED

P.O. Box 4889, Nassau, N.P.
H. F. Dinner, *Managing Director*
E. J. Farnsworth, *Deputy Managing Director*

BELGIUM

BANQUE BELGE POUR L'INDUSTRIE, S.A.

12, rue du Bois Sauvage, Brussels
Guy J. de Spirlet, *Chairman*

BRAZIL

BANCO REAL DO CANADA, S.A.

Rua Ouvidor 90, Rio de Janeiro
F. W. Grol, *President*
P. A. Nichols, *Director-Superintendent*

CANADA

ROYNAT LTD.

ROYNAT LEASING LTD.

TANYOR LTD.

620 Dorchester Blvd. West, Montreal 101, Quebec
J. W. Powell, *President*

FRANCE

UNION INTERNATIONALE DE FINANCEMENT ET DE PARTICIPATION, S.A. (INTERUNION)

4 rue Caillon, Paris 2e,
M. Chautard, *President*
E. Velten, *General Manager*

UNITED KINGDOM

ORION MULTINATIONAL SERVICES LTD.

P.O. Box 276, St. Helen's, 1 Undershaft, London, EC3P 3 EY
J. C. Haley, *Managing Director*
T. J. Cunningham, *General Manager*
R. B. Knight, *General Manager*
H. A. Kunisch, *General Manager*
A. Molendi, *General Manager*
R. G. P. Styles, *General Manager*

ORION BANK LTD.

P.O. Box 276, St. Helen's, 1 Undershaft, London, EC3P 3EY
R. H. Grierson, *Chairman & Chief Executive Officer*

ORION TERMBANK LTD.

P.O. Box 276, St. Helen's, 1 Undershaft, London, EC3P 3EY
W. N. McFayden, *General Manager*

VENEZUELA

BANCO ROYAL VENEZOLANO, C.A.

Apartado 1009, Caracas
A. J. Lara, *President*
H. J. W. Brophy, *General Manager*

Subsidiary Trust Companies

BAHAMAS

Royal Bank Trust Company (West Indies) Limited,
P. O. Box 1445, Nassau
A. J. Bassett, *General Manager*

BARBADOS

Royal Bank Trust Company (Barbados) Limited,
Cockspur House, Nile Street, Bridgetown
W. G. Minty, *General Manager*
J. Penhale, *Assistant Manager*

CAYMAN ISLANDS

Royal Bank Trust Company (Cayman) Limited,
George Town, Grand Cayman
J. G. Morgan, *General Manager*
R. T. E. Pearce, *Assistant Manager*

GUYANA

Royal Bank Trust Company (Guyana) Limited,
Royal Bank Building, 38-39 Water Street, Georgetown
F. A. Allen, *General Manager*

JAMAICA

Royal Bank Trust Company (Jamaica) Limited,
Royal Bank Building, 37 Duke St., Kingston
J. Kitchen, *General Manager*
J. K. Shield, *Assistant Manager*

TRINIDAD

Royal Bank Trust Company (Trinidad) Limited,
Frederick and Hart Streets, Port of Spain
Peter Ap. G. Stradling, *General Manager*
I. S. B. Archibald, *Assistant Manager*

UNITED KINGDOM

The Royal Bank of Canada Trust Corporation Limited,
30-32 Ludgate Hill London EC4M 7ND
B. A. Ramsey, *General Manager*
D. A. Jones, *Joint General Manager*
T. W. Embury, *Assistant Manager*

Royal Bank Representation

Canada

Branches*

Newfoundland	20
Nova Scotia	82
Prince Edward Island	6
New Brunswick	27
Quebec	189
Ontario	461
Manitoba	88
Saskatchewan	102
Alberta	113
British Columbia	160
North West Territories	2
Yukon	1
	1,251
Other Countries	121
Total (including sub-branches)	1,372

Other Countries*

The Royal Bank of Canada is represented through district headquarters, branches, subsidiary or associated banks or regional representatives in the following countries:

Antigua	Haiti
Argentina	Hong Kong
Australia	Jamaica
Bahamas	Japan
Barbados	Lebanon
Belgium	Montserrat
Brazil	Puerto Rico
British Honduras	St. Kitts
Cayman Islands	St. Lucia
Colombia	St. Vincent
Dominican Republic	Trinidad & Tobago
France	United Kingdom
French West Indies	United States of America
Germany	U.S. Virgin Islands
Grenada	Venezuela
Guyana	

Detailed information concerning Royal Bank representation throughout the world may be obtained from any branch or office of the bank, or from the bank's Head Office, 1 Place Ville Marie, Montreal, Canada (Post Office Box 6001, Montreal 101, Que., Canada. Telephone: 874-2110).

*At December 31, 1971

ABBEY • ABBOTSFORD • ADELAIDE • AJAX • ALDERGROVE • ALEXANDRIA • ALICE TOWN • ALIX • ALMA • ALMON
 APSLEY • ARCOLA • ARGENTIA • ARICHAT • ARIMA • ARNPRIOR • ARTHUR • ARVIDA • ATIKOKA
 BALA • BALCARRES • BALDUR • BARONS • BARRANQUILLA • BARRIE • BARRINGTON PASSAGE • BASHAW
 BEAUSÉJOUR • BEDFORD • BEETON • BEIRUT • BEISEKER • BELIZE CITY • BELLEVILLE • BELLEVUE
 BINSKARTH • BIRTLE • BLACKIE • BLACK LAKE • BLACK ROCK • BLACKSTOCK • BLAIRMORE • BLIND RIVER
 BRANTFORD • BRENTWOOD BAY • BRIDGETOWN • BRIDGEWATER • BRITANNIA BEACH • BROCKVILLE • BROOKS
 BURLINGTON • BURNABY • BURNS LAKE • CABRI • CACHE CREEK • CADILLAC • CALEDON • CALGARY • CAL
 CAP-DE-LA-MADELEINE • CARACAS • CARDSTON • CARGILL • CARLETON PLACE • CARLYLE • CARROT RIVER
 CHARLOTTETOWN • CHASE • CHATHAM • CHÂTEAUGUAY • CHELMSFORD • CHÉTICAMP • CHIBOUGAMAL
 CLARKSON • CLEARBROOK • CLEARWATER • CLIFFORD • CLIMAX • CLINTON • CLOVERDALE • COATICOOK
 COOKSTOWN • COQUITLAM • CORNER BROOK • CORNWALL • CORNWALLIS • CORUNNA • COURTENAY
 CUIDAD BOLIVAR • CUMBERLAND • CUPAR • CUT KNIFE • DALHOUSIE • DALHOUSIE STATION • DALLAS • DANA
 DOLBEAU • DOLLARD-DES-ORMEAUX • DORCHESTER • DORVAL • DRAYTON • DRAYTON VALLEY
 DUNNVILLE • DURHAM • DUTTON • EAST KILDONAN • EATONIA • EDMONTON • EDMUNDSTON • ELKFORD
 ESPANOLA • ESQUIMALT • ESTERHAZY • ESTEVAN • ETHELBERT • EVANSBURG • EYEBROW • FAIRVIEW
 FORT DE FRANCE • FORT ÉRIÉ • FORT FRANCES • FORT GARRY • FORT LANGLEY • FORT McMURRAY
 FREDERICTON JUNCTION • FREEPORT • FROBISHER BAY • GAGNON • GALT • GANDER • GEORGE TOWN
 GOOSE AIRPORT • GOVAN • GRANBY • GRANDE PRAIRIE • GRAND FALLS • GRAND VALLEY • GRAVENHURST
 HALIFAX • HALKIRK • HAMILTON • HAMIOTA • HANLEY • HANMER • HANNA • HANOVER
 HAY RIVER • HAZELTON • HEART'S CONTENT • HEPWORTH • HIGH PRAIRIE • HIGH RIVER • HILLSBUR
 HUNTER RIVER • HUNTSVILLE • IMPÉRIAL • INDIAN HEAD • INGERSOLL • INGLEWOOD • INNISFAIL • INVERMAY
 KAMSACK • KEEWATIN • KELLIGREWS • KELOWNA • KEMANO • KÉNOGAMI • KENORA • KENTVILLE • KERROBERT
 KIRKLAND LAKE • KITCHENER • KITIMAT • KITSAULT • KLEINBURG • LAC DU BONNET • LACHINE • LACOMBE
 LASALLE • LA TUQUE • LAVAL • LAWRENCETOWN • LEAMINGTON • LEASK • LEDUC • LEMBERG • LENNOXVILLE
 LLOYDMINSTER • LOCKEPORT • LONDON • LONDRES • LONGUEUIL • LOS ANGELES • LOUISBOURG • LUMSDEN
 MALLORYTOWN • MALTON • MANDEVILLE • MANITOU • MANOTICK • MAO • MAPLE RIDGE, HANEY • MARACAIBO
 MEDICINE HAT • MELBOURNE • MELFORT • MELITA • MELVILLE • MERRICKVILLE • METCALFE • METEGHAN
 MISSISSAUGA • MONCTON • MONTEGO BAY • MONTMAGNY • MONTRÉAL • MONTREAL EAST • MONTRÉAL-EST
 MOOSOMIN • MORDEN • MORIN HEIGHTS • MORINVILLE • MORSE • MOUNT BRYDGES • MOUNT ROYAL
 NAPANEE • NASSAU • NAVAN • NELSON • NEUDORF • NEUSTADT • NEW AMSTERDAM • NEWBORO • NEWBURY
 NEW RICHMOND • NEW WATERFORD • NEW WESTMINSTER • NEW YORK • NIAGARA FALLS • NIPAWIN
 NORTH VANCOUVER • NORWOOD • OAK BAY • OAKVILLE • ODESSA • OGEMA • OKOTOKS • OLIVER
 OUTREMONT • OWEN SOUND • OXBOW • PAISLEY • PAKENHAM • PARIS • PARKSVILLE • PARRSBORO
 PIERSON • PINCHER CREEK • PINCOURT • PINE FALLS • PLACENTIA • PLANTAGENET • PLASTER ROCK • PLENTY
 PONTEIX • PORTAGE LA PRAIRIE • PORT ALBERNI • PORT-AU-PRINCE • PORT-CARTIER • PORT COLBORNE
 PORT HOPE • PORT LAMBTON • PORT MOODY • PORT OF SPAIN • PORT PERRY • PORTER'S LAKE • PORTLAND
 PUERTO ORDAZ • PUERTO PLATA • QU'APPELLE • QUÉBEC • QUESNEL • RAPID CITY • RAWDON • RAYMORE
 RICHMOND HILL • RIDGETOWN • RIDGEWAY • RIMOUSKI • RIO DE JANEIRO • RIPLEY • RIVERS • RIVIÈRE CASSEE
 ROSENEATH • ROSETOWN • ROUYN • ROXBORO • RUIMVEDLT • RUSSELL • RUTLAND • STE-ADELE
 ST-GEORGES-DE-BEAUCE • SAINT-HYACINTHE • ST. JAMES-ASSINIBOIA • ST-JEAN • ST-JÉRÔME • ST. JOHN
 ST-RÉMI • STE-ROSE-DU-LAC • ST-SAUVEUR-DES-MONTS • ST. STEPHEN • STE-THÉRÈSE • ST. THOMAS • ST-VITAL
 SAN PEDRO DE MACORIS • SANTIAGO DE LOS CABALLEROS • SANTO DOMINGO • SANTOS • SANTURCE
 SECHLT • SELKIRK • SEPT-ÎLES • SEXSMITH • SHARBOT LAKE • SHAUNAVON • SHAWINIGAN
 SIDNEY • SIMCOE • SIOUX NARROWS • SLAVE LAKE • SMITHERS • SMITHS FALLS • SMITHVILLE
 SPARWOOD • SPEIGHTSTOWN • SPENCERVILLE • SPIRIT RIVER • SPRINGFIELD • SPRINGLANDS
 STEPHENVILLE • STETTLER • STEVESTON • STEWIACKE • STITTSVILLE • STONEY CREEK • STRASBOURG
 SUNDRIDGE • SURREY • SUSSEX • SWAN HILLS • SWAN RIVER • SWIFT CURRENT • SYDENHAM
 THOROLD • THREE HILLS • THUNDER BAY • TILLSONBURG • TIMMINS • TISDALE • TOKYO • TOLEDO
 TYNE VALLEY • VAL CARON • VAL D'OR • VALLEYFIELD • VANCOUVER • VANDERHOOF • VANDORF • VANGUARD
 WALLACEBURG • WALTON • WAPELLA • WARKWORTH • WASAGAMING • WASKADA • WATERDOWN
 WESTMOUNT • WEST PUBNICO • WEST VANCOUVER • WESTVILLE • WETASKIWIN • WEYBURN
 WIARTON • WILKIE • WILLIAMS LAKE • WINCHESTER • WINDSOR • WINDYBROOK • WINDYBROOK